UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2019

Commission File Number: 001-36771

LendingClub Corporation

(Exact name of registrant as specified in its charter)

Delaware	**51-0605731**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

595 Market Street, Suite 200,
San Francisco, CA 94105
(Address of principal executive offices and zip code)

(415) 632-5600
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol	Name of each exchange on which registered:
Common Stock, par value $0.01 per share	LC	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2019, the last business day of the registrant's most recently completed second fiscal quarter, was $1,091,456,815 based on the closing price reported for such date on the New York Stock Exchange. Shares of the registrant's common stock held by each executive officer, director and holder of 10% or more of the outstanding common stock have been excluded in that such persons may be deemed to be affiliates. This calculation does not reflect a determination that certain persons are affiliates of the registrant for any other purpose.

As of February 14, 2020, there were 88,911,078 shares of the registrant's common stock outstanding.

Documents Incorporated by Reference

Portions of the registrant's Definitive Proxy Statement for the Registrant's 2020 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K to the extent stated herein. Such Definitive Proxy Statement will be filed with the Securities and Exchange Commission within 120 days after the end of the registrant's fiscal year ended December 31, 2019.

LENDINGCLUB CORPORATION

Annual Report On Form 10-K
For Fiscal Year Ended December 31, 2019

TABLE OF CONTENTS

Except as the context requires otherwise, as used herein, "LendingClub," "Company," "we," "us," and "our," refer to LendingClub Corporation, a Delaware corporation, and, where appropriate, its consolidated subsidiaries and consolidated variable interest entities (VIEs), including:

- Various wholly-owned Delaware limited liability companies established to enter into warehouse credit agreements with certain lenders for secured credit facilities.
- Various entities established to facilitate loan sale transactions under LendingClub's Structured Program, including sponsoring asset-backed securities transactions and Certificate Program transactions, where certain accredited investors and qualified institutional buyers have the opportunity to invest in senior and subordinated securities backed by a pool of unsecured personal whole loans.
- LC Trust I (the LC Trust), an independent Delaware business trust that acquires loans from LendingClub and holds them for the sole benefit of certain investors that have purchased trust certificates issued by the LC Trust and that are related to specific underlying loans for the benefit of the investor.
- Springstone Financial, LLC (Springstone), a wholly-owned Delaware limited liability company that facilitates the origination of education and patient finance loans by third-party issuing banks.

Forward-Looking Statements

This Annual Report on Form 10-K (Report) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements in this Report include, without limitation, statements regarding borrowers, credit scoring, our strategy, future operations, expected losses, future financial position, future revenue, projected costs, prospects, plans, objectives of management, expected market growth and our ability to obtain a bank charter and the impact on our business. You can identify these forward-looking statements by words such as "anticipate," "appear," "believe," "continue," "could," "estimate," "expect," "forecast," "future," "intend," "may," "opportunity," "plan," "predict," "project," "should," "strategy," "target," "will," "would," or similar expressions.

These forward-looking statements include, among other things, statements about:

- our ability to attract and retain borrowers;
- the ability of borrowers to repay loans and the plans of borrowers;
- our ability to maintain investor confidence in the operation of our platform;
- the likelihood of investors to continue to, directly or indirectly, invest through our platform;
- our ability to secure new or additional sources of investor commitments for our platform;
- expected rates of return for investors;
- the effectiveness of our platform's credit scoring models;
- our ability to innovate and the success of new product initiatives;
- our ability to obtain or add bank functionality and a bank charter;
- the impact on the business from obtaining or adding bank functionality and a bank charter;
- our ability to resolve pending governmental inquiries and private litigation, and the terms of such resolution(s);
- the use of our own capital to purchase loans;
- maintaining liquidity and capital availability to support purchase of loans, contractual commitments and obligations (including repurchase obligations or other commitments to purchase loans), regulatory obligations to fund loans, and general strategic directives (such as with respect to product testing or supporting our Structured Program transactions, which include sponsoring asset-backed securitization transactions and Certificate Program transactions), and to support marketplace equilibrium across our platform;
- the impact of holding loans on and our ability to sell loans off our balance sheet;
- transaction fees or other revenue we expect to recognize after loans are issued by the issuing banks who originate loans facilitated through our platform;
- interest income on our loans invested in by the Company and the negative fair value adjustments on associated loans;

- our financial condition and performance, including the impact that management's estimates have on our financial performance and the relationship between the interim period and full year results;
- our ability, and that of third-party vendors, to maintain service and quality expectations;
- capital expenditures;
- interest rate risk and credit performance associated with the outstanding principal balance of loans and other securities and their impact to investor returns and demand for our products;
- the impact of new accounting standards;
- the impact of pending litigation and regulatory investigations and inquiries;
- our compliance with applicable local, state and Federal laws, regulations and regulatory developments or court decisions affecting our business;
- our compliance with contractual obligations or restrictions;
- investor, borrower, platform and loan performance-related factors that may affect our revenue;
- the potential adoption rates and returns related to new products and services;
- the potential impact of macro-economic developments that could impact the credit performance of our loans, notes, certificates and secured borrowings, and influence borrower and investor behavior;
- the effectiveness of our cost structure simplification efforts and ability to control our cost structure;
- our ability to develop and maintain effective internal controls;
- our ability to recruit and retain quality employees to support current operations and future growth;
- our ability to successfully relocate people and services;
- the impact of expense initiatives;
- our ability to manage and repay our indebtedness; and
- other risk factors listed from time to time in reports we file with the SEC.

We caution you that the foregoing list may not contain all of the forward-looking statements in this Report. We may not actually achieve the plans, intentions or expectations disclosed in forward-looking statements, and you should not place undue reliance on forward-looking statements. We have included important factors in the "Risk Factors" section of this Report, as well as in our consolidated financial statements, related notes, and other information appearing elsewhere in this Report and our other filings with the Securities and Exchange Commission, that could, among other things, cause actual results or events to differ materially from forward-looking statements contained in this Report. Forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make.

You should read this Report carefully and completely and with the understanding that actual future results may be materially different from what we expect. We do not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, actual results, future events or otherwise, other than as required by law.

PART I

Item 1. Business

Introduction

LendingClub was incorporated in Delaware on October 2, 2006, and is currently the largest provider of unsecured personal loans in the US. We operate America's largest online lending marketplace platform that connects borrowers and investors. LendingClub provides tools that help Americans save money on their path to financial health through lower borrowing costs and a seamless, technology-driven user experience. Investors provide capital to enable the funding of loans in exchange for earning competitive risk adjusted returns. Our marketplace enables efficient credit decisioning, pricing, servicing and support operations. We operate fully online with no traditional branch infrastructure. Our vision is to expand our marketplace model and support it with a bank charter, which we believe will be both strategically and financially accretive to the Company.

On February 18, 2020, the Company and Radius Bancorp, Inc. (Radius) entered into an Agreement and Plan of Merger, by and among the Company, a wholly owned-subsidiary of the Company, and Radius, pursuant to which the Company will acquire Radius and thereby acquire its wholly-owned subsidiary, Radius Bank (the Merger), in a cash and stock transaction valued at $185 million (of which $138.75 million is in cash and $46.25 million is in stock), plus certain purchase price and expense adjustments of up to $22 million. The closing of the Merger is subject to regulatory approval and other customary closing conditions, which the Company anticipates can be completed within 15 months, as well as customary transaction costs. The Company believes that acquiring Radius and operating with a national bank charter will enhance LendingClub's ability to serve its members, grow its market opportunity, increase and diversify revenue and earnings, and provide both funding resilience and regulatory clarity. With the talent, infrastructure and capabilities Radius possesses, the Company intends to enhance customer engagement by offering a broader range of member products and services aimed at supporting members and improving their financial health.

In order to facilitate compliance with federal banking regulations by the Company's largest stockholder, Shanda Asset Management Holdings Limited and its affiliates (Shanda), on February 18, 2020, the Company entered into a Share Exchange Agreement pursuant to which Shanda will exchange, subject to certain closing conditions, all shares of the Company's common stock held by Shanda for newly issued non-voting convertible preferred stock, series A (the Exchange). In connection with the Exchange, the Company will provide Shanda registration rights and a one-time cash payment of approximately $50 million. To deter future ownership positions in the Company's securities in excess of thresholds set forth by the Federal Reserve under the Bank Holding Company Act, the Company adopted a Temporary Bank Charter Protection Agreement (the Charter Protection Agreement) which provides for the dilution of any person or group of persons that acquires: (i) 25% or more equity interest in the Company, or (ii) 7.5% or more of any class of the Company's voting securities, which threshold shall automatically increase to 10% in connection with the closing of the Exchange. The Charter Protection Agreement is effective as of February 18, 2020, and will automatically expire on the earlier of the closing of the Merger or 18 months.

Our mission

We provide tools that help Americans save money on their path to financial health through lower borrowing costs and a seamless, technology-driven user experience. We help investors efficiently generate competitive risk-adjusted returns through diversification.

Our strategy

Our strategy is to increase member engagement with LendingClub's marketplace and leverage that engagement to offer a broad range of products and services from LendingClub and its partners.

Through sustained innovation and investment in demand generation and conversion, LendingClub has already built the leading unsecured personal loan marketplace with rapid decisioning and high member satisfaction. There are two parts to our strategy:

- Visitor to Member: aims to increase member engagement with LendingClub through a member center, which is intended to give members current data on their financial health.
- Product to Platform: aims to leverage member engagement by presenting offers from LendingClub and its partners that may save members money.

We believe our strategy will generate more savings for members, provide more avenues for LendingClub to serve borrowers and investors, and grow the lifetime value of our customer base through increased revenue per member and lower member acquisition costs.

Our market opportunity

LendingClub is the market leader in unsecured personal loans in the United States, a $160 billion industry in 2019. In the United States, unsecured personal loans are the fastest growing segment of consumer credit as consumers seek to refinance record levels of revolving credit card debt, with decade high variable interest rates, and are searching online for convenient ways to get better fixed rates. According to TransUnion, “FinTech loans now (2019) comprise 38% of all unsecured personal loan balances.” That’s up significantly from just 5% of outstanding balances in 2013.

LendingClub helps customers find an easier, less expensive path to paying down debt by replacing variable high-interest credit card payments with fixed lower-rate loans and predictable, more affordable payments. With LendingClub loans, members have the potential to save thousands of dollars compared to traditional credit cards. Researchers at the Philadelphia Federal Reserve Bank have analyzed LendingClub data and concluded that we’re operating in areas where banks are closing their branches, improving pricing and the quality of credit decisioning, and increasing financial inclusion.

With 160M+ US consumers currently using digital banking, LendingClub’s online platform is well positioned for growth by empowering customers to make better financial decisions that result in improved money management and savings.

Our competitive advantages

The lending industry is highly competitive, rapidly changing, highly innovative and subject to regulatory scrutiny and oversight. We compete against a wide range of financial products and companies that attract borrowers and/or investors.

With respect to borrowers, we primarily compete with other online consumer lending marketplaces and traditional financial institutions, such as banks, credit unions, and credit card issuers. LendingClub’s key competitive advantages include:

- Price efficiency: our marketplace model generates savings for borrowers by matching them with the lowest available cost of capital provided by investors.
- Marketing efficiency: our broad spectrum of investors, innovation and returning members enable us to serve more borrowers and enhance our marketing efficiency.
- Scale, data and innovative technology: our innovative technology and online platform enables us to generate and convert demand efficiently and at scale, while managing price and credit risk effectively.

With respect to investors, we primarily compete with other investment vehicles and asset classes, such as equities, bonds and short-term fixed income securities. LendingClub's key competitive advantages include:

- Generating competitive risk-adjusted returns efficiently: the nature of the asset class available through, and the scale of, our marketplace platform enables us to efficiently generate competitive risk-adjusted returns for investors.
- Portfolio diversification: unsecured personal loans can offer duration, geographic and/or asset diversification to investors.

We continue to be innovative to extend these competitive advantages.

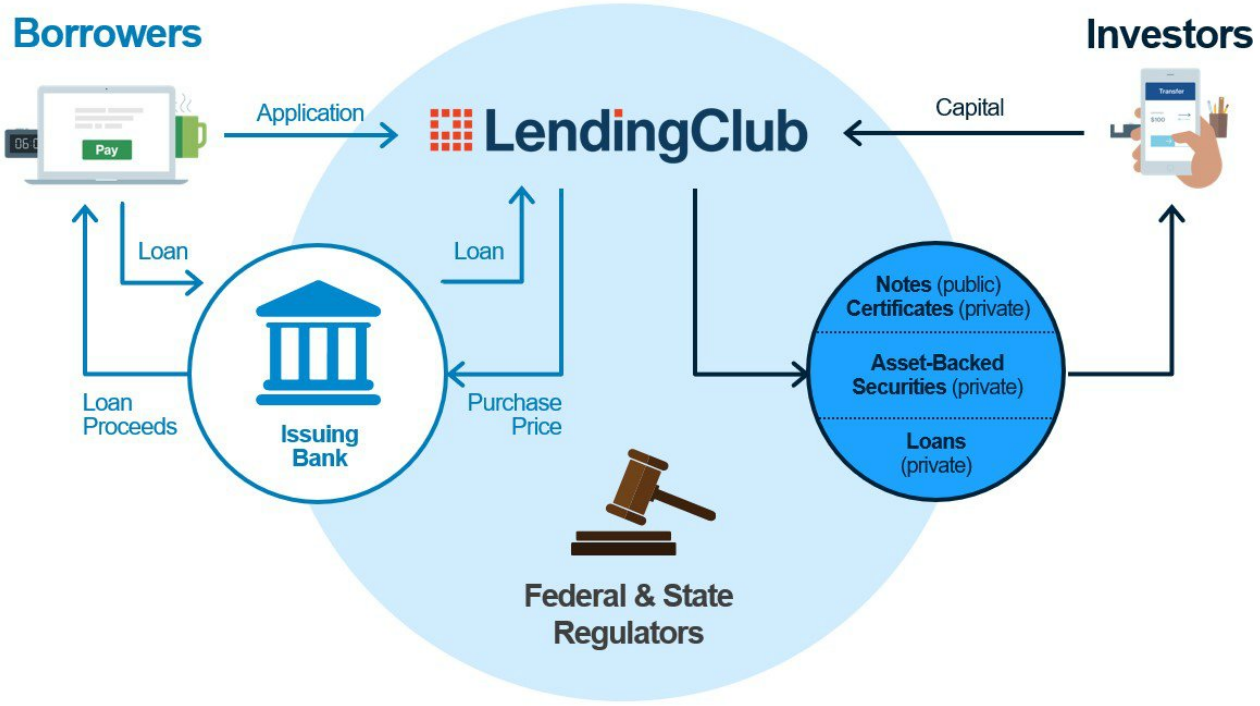
In addition to the discussion in this section, see "*Item 1A. Risk Factors – Substantial and increasing competition in our industry may harm our business.*" for further discussion of the potential impact of competition on our business.

Our model

Our sales and marketing efforts are designed to attract and retain borrowers and investors and build brand awareness. We use a diverse array of marketing channels and constantly seek to improve and optimize our experience both on- and offline to achieve efficiency and a high level of borrower and investor satisfaction.

We attract and retain borrowers through direct mail, online aggregation partners, and other channels (including search engines, social media, and strategic relationship referrals) and this continues to drive growth in our borrower and investor base. Our demand generation has been enhanced through significant funnel conversion efficiency improvements. As our growing member base frequently returns directly to LendingClub if they need another loan, we are growing the lifetime value of our members and lowering our average customer acquisition cost.

Once a loan application is received, we present the applicant with various loan options, including the term, rate and amount for which the applicant qualifies. After the applicant selects their personalized financing option and completes the application process, we may perform additional verifications on the applicant. Once the verifications are completed and a loan has been funded through one of the investment channels discussed below, the issuing bank originates and issues proceeds of the loan to the borrower, net of the origination fee charged and retained by the issuing bank. After the loan is issued, we use the proceeds from investors to purchase the loan from the issuing bank. Investor cash balances are held in segregated bank or custodial accounts and are not commingled with our monies. If insufficient investor commitments are received and the Company does not elect to purchase loans with its own capital, the loan is not funded.



Our issuing bank for unsecured personal and auto loans is WebBank, a Utah-chartered industrial bank, member Federal Deposit Insurance Corporation (FDIC), that handles a variety of consumer financing programs. We have entered into: (i) a marketing and program management agreement with WebBank that governs the terms and conditions between us and WebBank with respect to loans facilitated through our lending marketplace and originated by WebBank and (ii) a servicing agreement that governs our loan servicing obligations for loans during the period of time that the loans are owned by WebBank. WebBank pays us a transaction fee for our role in processing loan applications through our lending marketplace on WebBank's behalf. The transaction fee we earn corresponds with the origination fee that WebBank charges the borrower. We pay WebBank a monthly program fee based on the amount of loans issued by WebBank and purchased by us or our investors in a given month, subject to a minimum monthly fee.

Under contractual agreements, WebBank may sell us loans without recourse two business days after WebBank originates the loan. The marketing and program management agreement and the loan and receivable sale agreement both initially terminate in January 2023, with two additional automatic one-year renewal terms, subject to certain early termination provisions set forth in the agreements.

Our issuing banks for education and patient finance loans are NBT Bank and Comenity Capital Bank, which originate and service education and patient finance loans. These issuing banks retain some of these loans while others are offered to private investors or purchased by us. In instances where we are unable to arrange for private investors to purchase education and patient finance loans, we are contractually required to purchase them. For our role in loan facilitation, we recognize transaction fees paid by the issuing banks and education and patient service providers once the loan is issued and the proceeds are delivered to the borrower.

As of the date of this Report, no backup issuing banks have originated any loans facilitated through our marketplace and we do not have backup issuing bank arrangements.

Small and Medium-Sized Business (SMB) loans are provided through partnerships with Opportunity Fund and Funding Circle.

Our business

Our customers

1. Members

Borrowers: Our marketplace facilitates unsecured personal loans that are primarily used to refinance credit card balances and secured personal loans, that are primarily used to re-finance auto loans. Unsecured loans are also used to make major purchases (including home improvement, education and healthcare costs) or for other purposes.

Borrowers applying for loans through our programs must meet certain minimum credit requirements, including a FICO score, satisfactory debt-to-income ratios, satisfactory credit history and a limited number of credit inquiries in the previous six months. After a credit scoring and decisioning process, an issuing bank partner offers loans to successful applicants. For personal prime loans under our standard program, loan amounts are between $1,000 to $40,000, with maturities of three or five years, fixed interest rates, monthly amortizing payments, and no prepayment penalties. Personal loans that fall outside of the credit criteria for the standard program, including loans made to super-prime and near-prime borrowers, might qualify under our custom program and include amounts from $1,000 to $50,000, maturities of three or five years, fixed interest rates, and no prepayment penalties. For auto loans, loan amounts are between $5,000 to $55,000, with maturities ranging between two to seven years, monthly amortizing payments, and no prepayment penalties. Loans facilitated through our platform do not have interest rates or annual percentage rates in excess of 36%, which is often regarded as a benchmark for responsible lending.

We offer borrowers multiple features to lower their cost of debt and enhance their financial health, including: balance transfers, where a borrower's existing credit card debt is paid down and the loan is consolidated into a fixed-rate term loan; and joint applications, where borrowers may receive a better rate when they jointly apply for a personal loan.

Investors: Once an account has been opened and funded, investors may purchase LendingClub Member Payment Dependent Notes, which are securities for which cash flows to investors are dependent upon principal and interest payments made by borrowers with unsecured prime personal loans (Notes).

A portion of the standard loan program (Prime Loans) are randomly allocated and listed based on demand at a grade and term level to retail investors purchasing interests in fractions of unsecured personal loans. All investors are provided access to a borrower's proprietary credit grade and credit profile data on each approved and listed loan, as well as historical performance data on Prime Loans issued through our lending marketplace since its inception.

When an investor opens an account with us, the investor enters into an investor agreement that governs the investor's purchases of Notes. Our Notes channel is supported by our website and our Investor Services group, which provides basic customer support to these investors.

Investor cash balances (excluding payments in process) are held in segregated bank or custodial accounts and are not commingled with our monies.

2. Institutional Investors

Products: The majority of loans facilitated through our lending marketplace are funded by either: (i) the sale of whole loans to banks and other institutional investors or (ii) the issuance of securities through our Structured Programs. Structured Program transactions include (i) asset-backed securitization transactions and (ii) Certificate Program transactions. Certificate Program transactions include CLUB Certificate and Levered Certificate transactions.

Whole Loan Purchases: Certain institutional investors, such as banks, asset managers, insurance companies, hedge funds and other large non-bank investors, seek to hold whole loans on their balance sheets. To meet this need, we sell whole loans to these investors through loan purchase and sale agreements.

Securitizations: The Company securitizes a portion of the unsecured personal loans we facilitate through asset-backed securitization transactions. The Company is the sponsor and establishes trusts to ultimately purchase the loans from the Company and/or third-party loan investors. Securities issued from our asset-backed securitizations are senior or subordinated based on the waterfall criteria of loan payments to each security class. The residual interests issued from these transactions are first to absorb credit losses in accordance with the waterfall criteria. As the sponsor for securitization transactions, the Company manages the completion of the transaction. We have ongoing obligations to the trusts, including to repurchase loans in certain circumstances and to service and collect the loans in the trust. We use our own capital to purchase certain of the loans that are subsequently contributed to these deals. We are required to retain a portion of the credit risk in these securitization transactions. As a result of our securitization capability, we have broadened our platform's access to a large and liquid asset-backed securities market, reached new institutional investors, and provided a capital markets financing alternative for the Company.

Certificate Program Transactions: The Company sponsors the sale of unsecured personal whole loans through the issuance of certificate securities that are assigned a CUSIP number and are collateralized by loans transferred to a series of a master trust. The CLUB Certificate issued securities are pass-through securities of which each owner has an undivided and equal interest in the underlying loans of each transaction. The Levered Certificate issued securities include senior and subordinated securities based on the waterfall criteria of loan payments to each security class. As the sponsor for Certificate Program transactions, the Company manages the completion of the transaction. We have ongoing obligations to the master trust and series trusts, including to repurchase loans in certain circumstances and to service and collect the loans in the trusts. We use our own capital to purchase certain of the loans that are subsequently contributed to these transactions. We are required to retain a portion of the credit risk in these securitization transactions. The sale of certificate securities under our Certificate Program results in more liquidity and demand for unsecured personal loans facilitated through our platform. These securities are tailored for institutional investors seeking access the consumer credit asset class.

Company purchases: LendingClub funds certain loans directly with its own capital to balance the marketplace and to build inventory for its Structured Programs. Although the majority of these loans are subsequently sold, LendingClub retains certain loans to full term, primarily related to the risk retention requirements of its Structured Programs, but also where it is testing new products (for example, auto loans or new underwriting strategies), maintaining marketplace equilibrium or holding loans not sold through the marketplace.

Platforms: We make personal loans available for investment to institutional investors through four platforms – Scale, Select, Select Plus and LCX.

Scale: Investors purchase unsecured personal prime loans at scale by providing LendingClub with standing instructions to purchase loans by grade and term.

Select: Institutional investors can select unsecured personal prime loans to purchase by individual borrower credit attributes.

Select Plus: Sophisticated investors identify opportunities to approve borrowers who fall outside the current credit criteria on the LendingClub platform. Loans originated through the Select Plus platform are sold directly to investors.

LCX: Investors dynamically bid on fully funded whole loans with same-day settlement functionality. As liquidity builds on LCX, we believe that LCX will enable the Company to reduce the amount of time loans are held on its balance sheet due to the ability to dynamically locate a clearing price. LCX also lays the foundation to develop secondary market capabilities and our ability to sell loans at prices other than par.

Product and platform innovation continue to support LendingClub's ambitions to develop the unsecured personal loans asset class with investors by enabling more investors to purchase loans.

Institutional investor concentration: Our success is dependent on investors participating on our lending marketplace and, as of the date of this Report, we have a variety of investors on our platform that enable us to support the origination volume we facilitate. However, a relatively small number of loan investors, including us, represent a large percentage of the capital on our platform, which enable the funding of loans and our associated transaction fee revenue. See "*Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Investments in Quarterly Originations by Investment Channel and Investor Concentration*" for further discussion of and information regarding our investor concentration.

Credit scoring and decisioning

Our lending marketplace provides an integrated and automated loan application and credit decisioning and scoring process that incorporates underwriting, pricing and fraud detection. Borrowers come to our platform to apply online for a loan. During the simple application process, our platform uses proprietary risk algorithms that leverage behavioral data, transactional data and employment information to supplement traditional risk assessment tools, such as FICO scores, to assess a borrower's risk profile. Borrowers are then assigned a loan grade based on their risk profile, loan term and loan amount. For certain loans, our verification processes and analysts then verify the borrower's identity, income or employment by connecting with various data providers to determine whether to approve the loan request, in accordance with the issuing bank's credit policy. We utilize an outsourced provider to assist us in the processing of certain loan applications.

Our lending marketplace's credit decisioning and scoring models are evaluated on a regular basis and the additional data on loan history experience, borrower behavior, economic factors and prepayment trends that we accumulate are leveraged through machine learning and can be rapidly deployed to make modifications to the models. This information assists us in assessing if and when to propose further changes to the credit model or pricing for consideration by the issuing banks who originate loans facilitated through our platform. Our lending marketplace's credit decisioning and scoring models assign each loan offered on our lending marketplace a corresponding interest rate and origination fee.

We believe we have the experience and capabilities to effectively evaluate a borrower's credit worthiness and likelihood of default, offering competitive risk-adjusted return opportunities for loan investors.

Loan Servicing

We service the majority of the loans facilitated through our lending marketplace, except for patient and education finance loans and auto refinance loans. Loan servicing includes account maintenance, collections, processing payments from borrowers and distributions to investors. We utilize a business process outsourcing provider and various third-party collection agencies to assist us in the servicing of certain loans. We also have made arrangements for backup servicing with First Associates Loan Servicing, LLC and Millennium Trust Company, LLC.

Payments for loans that we service are primarily made through an ACH withdrawal from the borrower's bank account. Principal and interest payments on loans are then remitted to investors utilizing ACH. This automated process provides a higher degree of certainty for timely payments. This process also provides us with prompt notice in the event of a missed payment, which allows us to respond quickly to attempt to resolve the delinquency with the borrower. Generally, in the first 30 days that a loan is delinquent, our Payment Solutions team works to bring the account current. Once the loan becomes more than 30 days delinquent, we will typically outsource subsequent servicing efforts to third-party collection agencies.

The servicing fee paid by investors is designed to cover the day-to-day processing costs of loans. If a loan needs more intensive collection focus, whether internal or external, we may charge investors a collection fee to compensate us for the costs of this collection activity. There is no collection fee charged if no loan payments are

recovered. We sell most loans that have been charged-off to third parties. All proceeds received on these sales are subject to a collection fee.

Seasonality

Personal loan volume on our platform is generally lower in the first quarter of the year, primarily due to seasonality of borrower behavior. Additionally, in the fourth quarter of the year, we typically observe fluctuations in marketing effectiveness and borrower behavior due to the holidays, which can impact volume. These seasonal trends contribute to fluctuations in our operating results and operating cash flow.

Revenue

Transaction Fees: We generate revenue primarily from transaction fees paid by issuing banks or education and patient service providers to us for our platform's role in marketing to borrowers, and accepting and decisioning applications for our issuing bank partners to facilitate loan originations. The amount of these fees is based upon the terms of the loan, including amount, grade, term, channel and other factors.

Net Investor Revenue includes net interest income and fair value adjustments of loans and securities available for sale, gain on sales of loans invested in by the Company and investor fees from servicing of loans.

Net Interest Income and Fair Value Adjustments reflect earned interest income and assumed principal and interest rate risk on loans during the period that we own the loans. We have financed a portion of the purchase of these loans with draws on our credit facilities and securities sold under repurchase agreements and the associated interest expense reduces net interest income. Fair value adjustments are impacted by timing differences between changes in market interest rates, interest rates on loans, credit performance and investor yield expectations, which may result in a difference between the actual yield and the investor required yield on a loan. This allows us to adjust the effective yield on a loan through its sale price, thereby maintaining marketplace equilibrium. Any discount to par will result in negative fair value adjustments.

Investor Fees compensate us for the costs we incur in servicing loans, including managing payments from borrowers, collections, payments to investors, maintaining investors' account portfolios, providing information and issuing monthly statements. The amount of investor fee revenue earned is predominantly affected by the servicing rates paid by investors, the outstanding principal balance of loans and the amount of principal and interest collected from borrowers and remitted to investors. Investor fee revenue related to whole loans sold also includes the change in fair value of our servicing assets and liabilities associated with the loans.

Gain (Loss) on Sales of Loans connected to whole loan sales and Structured Program transactions are recognized based on the level to which the contractual loan servicing fee is above or below an estimated market rate loan servicing fee. Additionally, we recognize transactions costs as a loss on sale of loans.

Referral Revenue fees are earned from third-party companies when customers referred by us consider or purchase products or services from such third-party companies.

Regulatory and Compliance Framework

The regulatory environment for lending and online marketplaces such as ours is complex, evolving and uncertain, creating both challenges and opportunities that could affect our financial performance. We are subject to extensive and complex rules and regulations, licensing and examination by various federal, state and local government authorities designed to, among other things, protect borrowers (such as truth in lending, equal credit opportunity, fair credit reporting and fair debt collection practices) and investors (such as the anti-fraud provisions of the federal securities laws).

State and federal laws may limit the fees that may be assessed on the loans facilitated through our platform, require extensive disclosure to, and consents from, borrowers and investors, prohibit discrimination and unfair, deceptive,

or abusive acts or practices and may impose multiple qualification and licensing obligations on our activities and the loans facilitated through our lending marketplace. Failure to comply with any of these rules, regulations or requirements may result in, among other things, lawsuits (including class action lawsuits) or administrative enforcement actions seeking monetary damages, fines or civil monetary penalties, restitution or other payments to borrowers or investors, modifications to business practices, revocation of required licenses or registrations, or voiding of loan contracts.

Our compliance framework is a cornerstone of the lending marketplace that allows investors to participate in consumer credit as an asset class. Our relationship with issuing banks is a key component of our compliance framework, as described below.

WebBank, the primary bank whose loans we facilitate, is subject to oversight by the Federal Deposit Insurance Corporation (FDIC) and the Utah Department of Financial Institutions. NBT Bank and Comenity Capital Bank, whose education and patient finance loans we facilitate, are our two other issuing banks. NBT Bank is subject to oversight by the Office of the Comptroller of the Currency (OCC) and Comenity Capital Bank is subject to oversight by the FDIC and the Utah Department of Financial Institutions. These authorities impose obligations and restrictions on our activities and the loans facilitated through our lending marketplace.

As part of our ongoing compliance program, we have customer identification processes in place to enable us to detect and prevent fraud, money laundering, and terrorist financing, and identify customers who may be on government watchlists, such as those from the Office of Foreign Assets Control (OFAC) and the Financial Crimes Enforcement Network. We compare users' identities against these lists at least twice a month for continued compliance and oversight. If a user were to appear on a list, we would take appropriate action to resolve the issue in accordance with company policies and anti-money laundering regulations. In addition to our identification and transaction monitoring compliance programs, we use technology to assist us in complying with applicable federal anti-money laundering laws on both sides of our platform for borrowers and investors.

Regulations and Licensing

The lending and securities industries are highly regulated and we are subject to direct oversight by a number of federal and state governmental authorities. In certain respects, we are regulated differently than a bank because, unlike a bank, we do not take deposits or issue our own loans under a bank charter. Our current issuing banks originate all of the loans facilitated through our lending marketplace and are subject to regulation by the FDIC and/or other relevant federal and state regulators.

Further, federal and state governmental authorities impose additional obligations, direct oversight and restrictions on our activities and the loans facilitated through our lending marketplace as part of their oversight of the third-party service providers of the issuing banks. While compliance with such requirements is at times complicated by our business model, the Company strives to ensure compliance with all applicable rules and regulations.

Current Regulatory Environment

We believe that our issuing bank partnership model is appropriate for all the jurisdictions in which we operate and we strive to work with federal, state and local regulatory agencies to help them understand our model and its benefits for consumers. However, we operate in a complex and evolving regulatory environment at the federal and state level and some enforcement authorities and private parties have challenged the ability of nonbank agents in certain lending programs, in some cases with similarities to ours, to rely on legislative and judicial authority that permits an FDIC-insured depository institution, such as WebBank, to "export" interest rates permitted by the laws of the state where the bank is located, regardless of the usury limitations imposed by the laws of the state of the borrower's residence.

Madden and Regulatory Landscape Relating to Bank Partnership Model

In May 2015, the U.S. Court of Appeals for the Second Circuit issued its decision in *Madden v. Midland Funding*, LLC that interpreted the scope of federal preemption under the National Bank Act (NBA) and held that a nonbank assignee of a loan originated by a national bank was not entitled to the benefits of federal preemption of claims of usury. The Second Circuit's decision is binding on federal courts located in Connecticut, New York, and Vermont, but the decision could also be adopted by other courts. An extension of the application of the Second Circuit's decision, either within or outside the states in the Second Circuit, could challenge the federal preemption of state laws setting interest rate limitations for loans made by issuing bank partners in those states. The defendant petitioned the U.S. Supreme Court to review the decision and in March 2016, the Court invited the Solicitor General to file a brief expressing the views of the U.S. on the petition. The Solicitor General filed an amicus brief that stated the Second Circuit decision was incorrect, but that the case was not yet ready to be heard by the Supreme Court. In June 2016, the Supreme Court declined to hear the case.

In June 2019, certain Capital One and Chase credit card holders filed putative class actions in U.S. District Court in New York against certain non-bank Capital One and Chase special purpose entities and trusts, and the trustees thereof, that purchased and/or played a role in facilitating the securitization of Capital One and Chase credit card receivables. The plaintiffs allege that the preemption of New York usury laws by the National Bank Act (NBA) ceased once the credit card receivables were purchased and securitized by or via the non-bank defendants and therefore any interest being charged on the securitized receivables in excess of New York's usury limits violates New York law. The plaintiffs seek to recoup the allegedly excessive interest payments and an order requiring the defendants to cease their allegedly wrongful conduct, among other relief. The plaintiffs in these lawsuits aim to leverage the Second Circuit's decision in *Madden v. Midland Funding, LLC* that interpreted the scope of federal preemption under the NBA and held that a non-bank debt collector that purchased a loan originated by a national bank was not entitled to the benefits of federal preemption of claims of usury.

In September 2019, the OCC and the FDIC filed an amicus brief in U.S. District Court in Colorado supporting a bankruptcy court's rejection of the Madden case in a case before it. *In re Rent-Rite Super Kegs West Ltd.,* Case No. 1:19-cv-015520-REB (D. Colo.), Dkt.11. In addition, in late 2019 the OCC issued a proposed rulemaking to amend its regulations to clarify that interest on a loan that is lawful under federal law for national banks and federal savings associations remains lawful upon the sale, assignment or other transfer of the loan. The FDIC issued a similar proposal that is applicable to FDIC insured state-chartered banks. Various comments to the proposed rules were submitted from a variety of companies and other regulators. It is unclear what impact the position of these various regulators on the Madden decision will have in existing or future litigation or regulatory proceedings involving arguments of federal preemption of state usury laws.

In addition, a bill was passed in late 2017 by the House of Representatives that could clarify that any loan originated by a national bank would be entitled to the benefits of federal preemption on claims of usury provided that certain criteria are met. However, the bill was never passed by the Senate and we do not know whether this bill will be reintroduced in the current Congress or, if it is, whether it will pass or, if it does pass, what its final terms will be or its potential impact on our business.

Although we believe that our program is factually distinguishable from the Madden case, an extension of the application of the Second Circuit's decision, either within or outside the states in the Second Circuit, could challenge the federal preemption of state laws setting interest rate limitations for loans made by issuing bank partners in those states.

Financial Technology Industry Regulatory Environment

At the state level, certain states are considering the scope of their regulation and oversight of the financial technology industry. For example, we have participated with other financial technology companies in providing information and perspective to the California Department of Business Oversight. The application of state laws to our business, now or as they may be written or interpreted in the future, could have a significant impact on our

ability to do business in any given state. See "*Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Regulatory Environment*" for further discussion of applicable matters in Colorado and New York.

The CFPB, which commenced operations in July 2011, has broad authority over the businesses in which we engage. This includes authority to write regulations under federal consumer financial protection laws, such as the Truth in Lending Act and the Equal Credit Opportunity Act, and to enforce those laws against and examine large financial institutions, such as our issuing banks, for compliance. The CFPB is authorized to prevent "unfair, deceptive or abusive acts or practices" through its regulatory, supervisory and enforcement authority. We are subject to the regulatory and enforcement authority of the CFPB, as a facilitator, servicer or acquirer of consumer credit. Since its creation, the CFPB has announced "larger participant rules" to expand its supervisory authority in various areas of the financial industry. The CFPB has announced larger participant rules for auto lenders, and as our auto refinance business grows, we may eventually meet the definition of a "larger participant" in the auto loan arena and become subject to supervision, examination and greater oversight by the CFPB. The CFPB has not yet announced specifics regarding its proposed rulemaking for installment loan lenders and, consequently, there continues to be uncertainty as to how the CFPB's strategies and priorities, including any final rules, will impact our unsecured installment loan business and our results of operations going forward.

Also in July 2018, the United States Department of the Treasury (Treasury) issued a report entitled, "*A Financial System That Creates Economic Opportunities: Nonbank Financials, Fintech, and Innovation*" (Treasury Report). In the Treasury Report, the Treasury sought to identify "improvements to the regulatory landscape that will better support nonbank financial institutions, embrace financial technology, and foster innovation." In the Treasury Report, the Treasury recommended that Congress codify (or regulators clarify) that a bank originating loans through a partnership with a third party (including financial technology companies) remains the "true lender" and that the loans may be fully enforceable according to their terms.

State Licensing Requirements

In most states we believe, because of our issuing bank model, we are exempt from or satisfy relevant licensing requirements with respect to the origination of loans we facilitate. However, we may need, and have obtained, one or more state licenses to broker, acquire, service and/or enforce loans. As needed, we have endeavored to apply for and obtain the appropriate licenses. In addition, we have applied for and obtained certain licenses in a number of states that we believe are not necessary to conduct our current activities, but which may facilitate potential evolutions of our business model and provide transparency and an opportunity for interaction with state licensing authorities.

Where we have obtained licenses, state licensing statutes may impose a variety of requirements and restrictions on us, including:

- record-keeping requirements;
- restrictions on servicing practices, including limits on finance charges and fees;
- restrictions on collections;
- usury rate caps;
- disclosure requirements;
- examination requirements;
- surety bond and minimum net worth requirements;
- financial reporting requirements;
- notification requirements for changes in principal officers, stock ownership or corporate control;
- restrictions on marketing and advertising;
- data security and privacy requirements; and
- review requirements for loan forms.

These statutes may also subject us to the supervisory and examination authority of state regulators in certain cases, and we have experienced, are currently and will likely continue to be subject to and experience exams by state regulators. These examinations have and may continue to result in findings or recommendations that require us to modify our internal controls and/or business practices.

See "*Item 1A. Risk Factors – Risks Related to Our Business and Regulation*," "*Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Regulatory Environment*" *and* "*Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 19. Commitments and Contingencies*" for additional discussion and disclosure on state inquiries and requests, including the risk factors titled "*We are regularly subject to litigation, and government and regulatory investigations, inquiries and requests*," "*If the loans facilitated through our lending marketplace were found to violate a state's usury laws, and/or we were found to be the true lender (as opposed to our issuing bank(s)), we may have to alter our business model and our business could be harmed*" and "*The regulatory framework for our business is complex, evolving and uncertain as federal and state governments consider new laws to regulate online lending marketplaces such as ours*" for more information on potential adverse outcomes and consequences resulting from a regulatory exam or related investigation, inquiry, request or proceeding.

Consumer Protection Laws

Federal and State UDAAP Laws; FTC Lawsuit. The Dodd-Frank Act contains so-called "UDAAP" provisions declaring unlawful "unfair," "deceptive" and "abusive" acts and practices in connection with the delivery of consumer financial services, and gives the CFPB the power to enforce UDAAP prohibitions and to adopt UDAAP rules defining unlawful acts and practices. Additionally, "UDAP" provisions of the Federal Trade Commission Act (FTC Act) prohibit "unfair" and "deceptive" acts and practices in business or commerce and give the FTC enforcement authority to prevent and redress violations of this prohibition. Virtually all states have similar UDAP laws. Whether a particular act or practice violates these laws frequently involves a highly subjective and/or fact-specific judgment. On April 25, 2018, the Federal Trade Commission (FTC) filed a lawsuit in the Northern District of California (*FTC v. LendingClub Corporation*, No. 3:18-cv-02454) alleging causes of action for violations of the FTC Act, including claims of deception in connection with disclosures related to the origination fee associated with loans available through the Company's platform, and in connection with communications relating to the likelihood of loan approval during the application process, and a claim of unfairness relating to certain unauthorized charges to borrowers' bank accounts. The Company denies and will vigorously defend against the allegations. See "*Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 19. Commitments and Contingencies*" for further discussion regarding the FTC lawsuit.

State Usury Limitations. Our business model is based on our relationship with WebBank and other issuing banks and the power under federal law for national banks and FDIC-insured banks to make loans nationwide at the rate allowed by the laws of the state where the bank is located. The following authorities permit FDIC-insured depository institutions, such as WebBank, to "export" the interest rate permitted by the laws of the state or U.S. territory where the bank is located, regardless of the usury limitations imposed by the state law of the borrower's residence unless the state has chosen to opt out of the exportation regime: Section 521 of the Depository Institution Deregulation and Monetary Control Act of 1980 (DIDA); Section 85 of the National Bank Act (NBA); federal case law interpreting the NBA such as *Tiffany v. National Bank of Missouri*, 85 U.S. 409 (1874), and *Marquette National Bank of Minneapolis v. First Omaha Service Corporation*, 439 U.S. 299 (1978); and FDIC advisory opinion 92-47.

WebBank is located in Utah, and Utah law accordingly governs the permissible rate of interest that may be charged on loans originated by WebBank. Title 70C of the Utah Consumer Credit Code does not limit the amount of fees or interest that may be charged by WebBank on loans of the type offered through our lending marketplace. While states may opt out of the regime created by federal statute that allow state banks to export to other states the interest charges allowed in the state where the bank is located, only Iowa and Puerto Rico have exercised this power. If a loan made through our lending marketplace were deemed to be subject to the usury laws of states or U.S. territories (because such state or U.S. territory has opted-out of the rate exportation regime or otherwise), we could become subject to fines, penalties and possible forfeiture of amounts charged to the borrower, if the interest charges on the

loan exceeded the applicable state usury rate cap. As a result, we could decide not to facilitate loans in that jurisdiction, refrain from making certain loans available for investment by certain investors, or only facilitate loans with interest charges that do not exceed the limits in that jurisdiction, which could adversely impact our growth.

State Disclosure Requirements and Other Substantive Lending Regulations. We are also subject to state laws and regulations that impose requirements related to loan disclosures and terms, credit discrimination, credit reporting, and debt collection. Our ongoing compliance program seeks to comply with these requirements.

Truth in Lending Act. The Truth in Lending Act (TILA) and Regulation Z, which implements it, require lenders to provide consumers with uniform, understandable information concerning certain terms and conditions of their loan and credit transactions. These rules apply to our issuing banks as the creditors for loans facilitated through our lending marketplace, but because the transactions are carried out on our hosted website, we facilitate compliance. For closed-end credit transactions of the type provided through our lending marketplace, these disclosures include, among others, providing the annual percentage rate, the finance charge, the amount financed, the number of payments and the amount of the monthly payment. The creditor must provide these disclosures before a loan is consummated. TILA also regulates the advertising of credit and gives borrowers, among other things, certain rights regarding updated disclosures and the treatment of credit balances. Our lending marketplace provides borrowers with the issuing bank's TILA disclosure during the loan application process. If the amount of the loan the borrower chooses to accept during the application process changes after the TILA disclosure is presented to the borrower, we provide an updated TILA disclosure reflecting the information relating to the changed loan amount. We also seek to comply with TILA's disclosure requirements related to credit advertising.

Equal Credit Opportunity Act. The federal Equal Credit Opportunity Act (ECOA) prohibits creditors from discriminating against credit applicants on the basis of race, color, sex, age, religion, national origin, marital status, the fact that all or part of the applicant's income derives from any public assistance program or the fact that the applicant has in good faith exercised any right under the federal Consumer Credit Protection Act or any applicable state law. Regulation B, which implements ECOA, restricts creditors from requesting certain types of information from loan applicants and from using advertising or making statements that would discourage on a prohibited basis a reasonable person from making or pursuing an application. These requirements apply both to a lender such as WebBank as the creditor for loans facilitated through our lending marketplace as well as to a party such as ourselves that regularly facilitates a credit decision. Investors may also be subject to the ECOA in their capacity as purchasers if they are deemed to regularly participate in credit decisions. In the underwriting of loans offered through our lending marketplace, and in all aspects of operations, both WebBank and we seek to comply with ECOA's provisions prohibiting discouragement and discrimination. ECOA also requires creditors to provide consumers and certain small businesses with timely notices of adverse action taken on credit applications. Prospective borrowers who apply for a loan through our lending marketplace but are denied credit are provided with an adverse action notice in compliance with applicable requirements.

Fair Credit Reporting Act. The federal Fair Credit Reporting Act (FCRA), as amended by the Fair and Accurate Credit Transactions Act (FACTA), promotes the accuracy, fairness and privacy of information in the files of consumer reporting agencies. FCRA requires a permissible purpose to obtain a consumer credit report and requires persons that furnish loan payment information to credit bureaus to report such information accurately. FCRA also imposes disclosure requirements on creditors who take adverse action on credit applications based on information contained in a credit report or received from a third party and requires creditors who use consumer reports in establishing loan terms to provide risk-based pricing or credit score notices to affected consumers. When an applicant applies for a loan on our marketplace, a permissible purpose exists for obtaining a credit report on the applicant and we also obtain explicit consent from applicants to obtain such reports. As the servicer for the loan, we report loan payment and delinquency information to appropriate consumer reporting agencies. We provide an adverse action notice to a rejected applicant on WebBank's behalf at the time the applicant is rejected that includes all the required disclosures and also comply with risk-based pricing requirements of the FCRA. We also have processes in place to ensure that consumers are given "opt-out" opportunities, as required by the FCRA, regarding the sharing of their personal information. We have also implemented an identity theft prevention program that is designed to detect, prevent and mitigate identify theft.

Fair Debt Collection Practices Act. The federal Fair Debt Collection Practices Act (FDCPA) provides guidelines and limitations on the conduct of third-party debt collectors in connection with the collection of consumer debts. The FDCPA limits certain communications with third parties, imposes notice and debt validation requirements, and prohibits threatening, harassing or abusive conduct in the course of debt collection. While the FDCPA applies to third-party debt collectors, debt collection laws of certain states impose similar requirements on creditors who collect their own debts. In addition, the CFPB prohibits unfair, deceptive or abusive acts or practices in debt collection, including first-party debt collection. Our agreement with investors prohibits investors from attempting to collect directly on the loan. Actual collection efforts in violation of this agreement are unlikely given that investors generally do not learn the identity of borrowers. We use our internal collection team and professional third-party debt collection agencies to collect delinquent accounts. They are required to comply with all applicable laws in collecting delinquent accounts of borrowers.

Privacy and Data Security Laws. The federal Gramm-Leach-Bliley Act (GLBA) and state privacy laws include limitations on financial institutions' disclosure of nonpublic personal information about a consumer to nonaffiliated third parties, in certain circumstances requires financial institutions to limit the use and further disclosure of nonpublic personal information by nonaffiliated third parties to whom they disclose such information, and requires financial institutions to disclose certain privacy policies and practices with respect to information sharing with affiliated and nonaffiliated entities as well as to safeguard personal customer information. We have a detailed privacy policy, which is accessible from every page of our website. We maintain consumers' personal information securely, and use and share such information in accordance with our privacy policy and/or with the consent of the consumer. In addition, we take measures to safeguard the personal information of our borrowers and investors and protect against unauthorized access to this information.

Servicemembers Civil Relief Act. The federal Servicemembers Civil Relief Act (SCRA) allows military members to suspend or postpone certain civil obligations so that the military member can devote his or her full attention to military duties. The SCRA requires us to adjust the interest rate of borrowers who qualify for and request relief. If a borrower with an outstanding loan qualifies for SCRA protection, we will reduce the interest rate on the loan to 6% for the duration of the borrower's active duty. During this period, the investors who have invested in such a loan will not receive the difference between 6% and the loan's original interest rate. For a borrower to obtain an interest rate reduction on a loan due to military service, we require the borrower to send us a written request and a copy of the borrower's mobilization orders. We do not take military service into account in assigning loan grades to borrower loan requests and we do not disclose the military status of borrowers to investors.

Military Lending Act. The Military Lending Act (MLA) restricts, among other things, the interest rate and other terms that can be offered to active military personnel and their dependents. The MLA caps the interest rate that may be offered to a covered borrower to a 36% military annual percentage rate, or "MAPR," which includes certain fees such as application fees, participation fees and fees for add-on products. Prior to a recent amendment of the rules under the MLA, the MLA applied only to certain short-term loans. The rule's amendment extends the 36% rate cap to most types of consumer credit. The MLA also requires certain disclosures and prohibits certain terms, such as mandatory arbitration if a dispute arises concerning the consumer credit product.

Banking Regulations

As disclosed above, we are pursuing the acquisition of Radius which, if closed, will result in the Company becoming subject to the Bank Holding Company Act and its restrictions and requirements, including capital requirements and shareholder requirements. In addition, we would become subject to supervision and regulation by the Federal Reserve as well as other federal bank regulators.

Other Regulations

Electronic Fund Transfer Act and NACHA Rules. The federal Electronic Fund Transfer Act (EFTA) and Regulation E that implements it provide guidelines and restrictions on the electronic transfer of funds from

consumers' bank accounts. In addition, transfers performed by ACH electronic transfers are subject to detailed timing and notification rules and guidelines administered by the National Automated Clearinghouse Association (NACHA). Most transfers of funds in connection with the origination and repayment of loans are performed by ACH. We obtain necessary electronic authorization from borrowers and investors for such transfers in compliance with such rules. We also comply with the requirement that a loan cannot be conditioned on the borrower's agreement to repay the loan through automatic fund transfers. Transfers of funds through our platform are executed by Wells Fargo and conform to the EFTA, its regulations and NACHA guidelines. Recently, the NACHA Board of Directors approved a change in the NACHA Operating Rules that requires ACH Originators to utilize commercially reasonable fraudulent transaction detection systems. The rule change, effective on March 19, 2021, will require ACH Originators to perform account validation as part of their commercially reasonable fraudulent transaction detection system. This rule change may require changes to our fraud detection systems and increase our costs associated with ACH electronic transfers.

Electronic Signatures in Global and National Commerce Act/Uniform Electronic Transactions Act. The federal Electronic Signatures in Global and National Commerce Act (ESIGN), and similar state laws, particularly the Uniform Electronic Transactions Act (UETA), authorize the creation of legally binding and enforceable agreements utilizing electronic records and signatures. ESIGN and UETA require businesses that want to use electronic records or signatures in consumer transactions and to provide disclosures to consumers, to obtain the consumer's consent to receive information electronically. When a borrower or investor registers on our platform, we obtain his or her consent to transact business electronically, receive electronic disclosures and maintain electronic records in compliance with ESIGN and UETA requirements.

Bank Secrecy Act. In cooperation with our issuing banks, we have implemented various anti-money laundering policies and procedures to comply with applicable federal law, such as the designation of a Bank Secrecy Act (BSA) officer, conducting an annual risk assessment, developing internal controls, independent testing, training, and suspicious activity monitoring and reporting. With respect to new borrowers and investors, we apply the customer identification and verification program rules and screen names against the list of specially designated nationals maintained by the U.S. Department of the Treasury and OFAC pursuant to the USA PATRIOT Act amendments to the BSA and its implementing regulations.

New Laws and Regulations. From time to time, various types of federal and state legislation are proposed and new regulations are introduced that could result in additional regulation of, and restrictions on, our business. We cannot predict whether any such legislation or regulations will be adopted or how this would affect our business or our important relationships with third parties. In addition, the interpretation of existing legislation may change or may prove different than anticipated when applied to our business model. Compliance with such requirements could involve additional costs, which could have a material adverse effect on our business. As a consequence of the extensive regulation of lending in the United States, our business is particularly susceptible to being affected by federal and state legislation and regulations that may increase the cost of doing business.

Foreign Laws and Regulations. We do not permit non-U.S. based individuals to register as borrowers on the platform and the Company does not facilitate loans to borrowers outside the United States. Therefore, we do not believe that we are subject to foreign laws or regulations with respect to borrowers. Our investor business, however, may be subject to foreign laws and regulations.

For more information on how the regulatory environment, enforcement actions, findings and ratings could also have an impact on our strategies, the value of our assets, or otherwise adversely affect our business see "*Item 1A. Risk Factors – Risks Related to Our Business and Regulation*" for further discussion regarding our regulatory environment.

Intellectual Property

To establish and protect our technology and intellectual property rights, we rely on a combination of copyright, trade secret and other rights, as well as confidentiality procedures, non-disclosure agreements with third parties,

employee disclosure and invention assignment agreements, and other contractual rights. We are not dependent on any one patent or related group of patents or any other single right to use intellectual property. Despite our efforts to protect our proprietary rights, third parties may, in an authorized or unauthorized manner, attempt to use, copy or otherwise obtain and market or distribute our intellectual property rights or technology or otherwise develop a product with the same functionality as our solution. In addition, our competitors may develop products that are similar to our technology. Policing all unauthorized use of our intellectual property rights is nearly impossible, and we cannot be certain that the steps we have taken or will take in the future will prevent misappropriations of our technology or intellectual property rights.

Employees

At December 31, 2019, we had 1,538 employees and contract employees. None of our employees are represented by a labor union. We have not experienced any work stoppages, and we consider our employee relations to be good.

Available Information

The address of our principal executive offices is LendingClub Corporation, 595 Market Street, Suite 200, San Francisco, California, 94105. Our website address is www.lendingclub.com. At our investor relations website, ir.lendingclub.com, we make available free of charge the following information and capabilities:

- Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to these reports as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC;
- Press releases, including with respect to our quarterly earnings;
- Announcements of public conference calls and webcasts;
- Corporate governance information, including our certificate of incorporation, bylaws, governance guidelines, committee charters, business conduct and ethics policy, and other governance-related policies;
- Other news and market data that we may post from time to time that investors might find useful or interesting; and
- Opportunity to sign up for email notifications.

In addition to announcing material financial information through our investor relations website, press releases, SEC filings, and public conference calls and webcasts, we also intend to use other online and social media channels, including our Blog (http://blog.lendingclub.com), Twitter handles (@LendingClub and @LendingClubIR) and Facebook page (https://www.facebook.com/LendingClubTeam) to disclose material non-public information and to comply with our disclosure obligations under Regulation FD.

The contents of the websites referred to above are not incorporated into this filing or in any other report or document on file with the SEC. Further, our references to the URLs for these websites are intended to be inactive textual references only.

The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at www.sec.gov.

Item 1A. Risk Factors

You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K (Report), including the section titled "Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes. While we believe the risks and uncertainties described below include all material risks currently known by us, it is possible that these may not be the only ones we face. If any of the risks actually occur, our business, financial condition, operating results and prospects could be materially and adversely affected.

RISKS RELATED TO OUR BUSINESS AND REGULATION

If we are unable to maintain our relationships with issuing banks, our business will suffer.

We rely on issuing banks to originate all loans and to comply with various federal, state and other laws, as discussed more fully above in "*Item 1. Business*."

Our agreements with WebBank are non-exclusive and do not prohibit WebBank from working with our competitors or from offering competing services. WebBank currently offers loan programs through other online lending marketplaces and other alternative lenders. WebBank could decide that working with us is not in its interest or could decide to enter into exclusive or more favorable relationships with our competitors. In addition, WebBank may not perform as expected under our agreements, including potentially being unable to accommodate our projected growth in loan volume. We could in the future have disagreements or disputes with WebBank or other issuing banks, which could negatively impact or threaten our relationship. As a result of our efforts to obtain a bank charter, our relationships with one or more of our issuing banks could change or negatively impact our business and operations.

WebBank is subject to oversight by the FDIC and the State of Utah and must comply with complex rules and regulations, licensing and examination requirements, including requirements to maintain a certain amount of regulatory capital relative to its outstanding loans. We are a service provider to WebBank, and as such, we are subject to audit by WebBank in accordance with FDIC guidance related to management of third-party vendors. We are also subject to the examination and enforcement authority of the FDIC as a bank service company covered by the Bank Service Company Act. We have indemnification obligations and exposure under our agreements with WebBank, including with respect to our compliance with certain applicable laws. If WebBank were to suspend, limit or cease its operations or our relationship with WebBank were to otherwise terminate, we would need to implement a substantially similar arrangement with another issuing bank, obtain additional state licenses or curtail our operations. Our agreement with WebBank has an initial term ending in January 2023 and renews automatically for two successive terms of one year each, unless either party provides notice of non-renewal to the other party in accordance with the provisions of the agreement. As of the date of this Report, no backup issuing banks have originated any loans facilitated through our marketplace and we do not have a backup origination arrangement.

We believe that our relationship with WebBank is critical to our current business model. If we are unsuccessful in maintaining our relationships with WebBank, our ability to provide loan products could be materially impaired and our operating results would suffer. If we need to enter into alternative arrangements with a different issuing bank to replace our existing arrangements, we may not be able to negotiate a comparable alternative arrangement. Transitioning loan originations to a new issuing bank is untested and may result in delays in the issuance of loans or, if our platform becomes inoperable, may result in our inability to facilitate loans through our platform. If we were unable to enter in an alternative arrangement with a different issuing bank, we would need to obtain or activate a state license in each state in which we operate to enable us to originate loans, as well as comply with other state and federal laws, which would be costly, time-consuming and may necessitate that we materially alter our business and operations.

We are pursuing a potentially transformational transaction, which is subject to regulatory approvals and other closing conditions and, during the closing period, necessitated the adoption of a temporary bank charter protection agreement which may diminish interest in our stock. If consummated, the transaction will subject us to significant additional regulation.

As previously disclosed, we believe a bank charter will improve our capital efficiency and generate higher revenues, margins and return on equity by: (i) recapturing significant revenue which is currently going to issuing banks, (ii) reducing the use of higher cost warehouse lines, and (iii) generating additional and recurring net interest income. Accordingly, our management, with the support of the board of directors (Board), has been working diligently on obtaining a bank charter through either the establishment of a new bank through a "de novo process" or by means of an acquisition.

On February 18, 2020, we entered into a definitive agreement to acquire Radius Bancorp, Inc. (Radius), a savings and loan holding company (the Transaction). As part of the Transaction, we will acquire Radius' wholly-owned subsidiary, Radius Bank, a federal savings association, which will convert to a national bank simultaneously with the Transaction. We believe that the Transaction has the potential to be transformational for the Company by enabling us to add additional benefits, products and/or functionality to the LendingClub platform which may, among other things, facilitate our ability to develop and maintain a longer-term relationship with our customers. Additionally, we believe the Transaction would provide access to a new source of relatively lower cost funding to our marketplace and give our business greater resilience and regulatory certainty.

However, closing the Transaction is subject to regulatory approvals and other customary closing conditions which we believe will take some time to completely satisfy. The satisfaction of all of the required conditions could delay the completion of the Transaction for a significant period of time or prevent it from occurring. Any delay in completing the Transaction could cause us not to realize some or all of the benefits mentioned above that we expect to achieve if the Transaction is successfully completed within its expected time frame. Further, there can be no assurance that the required regulatory approvals necessary to complete the Transaction will be obtained, or whether all of the other conditions to the closing of the Transaction will be satisfied or waived or that the Transaction will be completed.

In particular, the Transaction is subject to regulatory approvals, including approvals from the Federal Reserve and the Office of the Comptroller of the Currency (the OCC) under the Bank Holding Company Act and the National Bank Act, respectively.

The Federal Reserve is prohibited from approving any merger transaction under Section 3 of the Bank Holding Company Act that would have anti-competition effects, unless the Federal Reserve finds that the anti-competitive effects of the merger transaction are clearly outweighed in the public interest by the probable effect of the merger transaction in meeting the convenience and needs of the communities to be served. In addition, among other things, in reviewing the Transaction, the Federal Reserve must consider (i) the financial condition and future prospects, as applicable, of the resulting organization; (ii) the competence, experience, and integrity of the officers, directors and principal stockholders, as applicable, of the resulting organization; (iii) the convenience and needs of the communities to be served, including any record of performance under the Community Reinvestment Act of 1977, as amended (the CRA); (iv) the Company's and Radius' effectiveness in combating money-laundering activities; and (v) the risk to the stability of the United States banking or financial system presented by the Transaction.

In connection with Radius Bank's conversion to a national bank and other matters that may require OCC approval, the OCC will consider (i) Radius Bank's financial condition, management, and regulatory capital requirements; (ii) Radius Bank's conformance with statutory and regulatory criteria, including maintaining a safe and sound banking system, encouraging fair access to financial services, ensuring compliance with laws and regulations, and promoting fair treatment of customers; (iii) whether Radius Bank has obtained all necessary regulatory and shareholder or member approvals; (iv) adequacy of Radius Bank's policies, practices, and procedures; and (v) CRA record of performance.

The process for obtaining all the required regulatory approvals has become substantially more difficult since the global financial crisis, and our ability to obtain the requisite approvals for the Transaction depends on the bank regulators' views as to the Company or Radius' capital levels, quality of management, and overall condition, in addition to their assessment of a variety of other factors, including the Company and Radius' compliance with law. Regulatory approvals could be delayed, impeded, restrictively conditioned or denied due to existing or new regulatory issues we or Radius has, or may have, with regulatory agencies, including, without limitation, issues related to Bank Secrecy Act compliance, CRA issues, fair lending laws, fair housing laws, consumer protection laws, unfair, deceptive, or abusive acts or practices regulations and other similar laws and regulations. If the regulators impose conditions on the completion of the Transaction or require changes to the terms of the Transaction, such conditions or changes could have the effect of delaying or preventing completion of the Transaction or imposing additional costs on or limiting the revenues of the Company following the Transaction, any of which might have an adverse effect on the Company following the Transaction. Regulatory approvals could also be adversely impacted based on the status of any ongoing investigation of us or Radius or either party's customers, including subpoenas to provide information or investigations by a federal, state or local governmental agency. We cannot guarantee that we will be able to obtain all required regulatory approvals, the timing of those approvals or whether any conditions will be imposed.

In order to obtain the requisite regulatory approvals, we need to develop a financial and bank capitalization plan and may need to enhance our governance, compliance, controls and management infrastructure and capabilities to be compliant with all applicable regulations and operate to the satisfaction of the banking regulators before we close the Transaction, which may require substantial time, monetary and human resource commitments. If we are not successful in developing a financial and bank capitalization plan or enhancing, as needed, our governance, compliance, controls and management infrastructure and capabilities, our ability to close the Transaction and obtain a bank charter and/or bank functionality through other avenues may be jeopardized.

Ultimately, if the Transaction does not close for any reason, including due to failure to obtain the necessary regulatory approvals or complete the exchange with Shanda described below, and we are unable to find an alternative pathway to obtaining a bank charter and/or bank functionality, then our ability to offer a broader range of products and services, and our stock price, may be adversely affected. Our stock price may also decline to the extent that the current market price reflects a market assumption that the Transaction will be completed. In addition, we would have to recognize the substantial expenses in connection with the negotiation and completion of the Transaction without realizing the expected benefits of the Transaction.

Further, if the Transaction closes, we will become subject to the Bank Holding Company Act and its restrictions and requirements, including capital requirements and shareholder requirements. We will become subject to the supervision and regulation by the Federal Reserve as well as other federal bank regulators. Our efforts to comply with such additional regulation may require substantial time, monetary and human resource commitments. If any new regulations or interpretations of existing regulations to which we are subject impose requirements on us that are impractical or that we cannot satisfy, our ability to offer a broader range of products and services, and our stock price, may be adversely affected.

Additionally, should the Transaction close, certain of our stockholders may need to comply with applicable federal banking regulations, including the applicable provisions of the Bank Holding Company Act. Specifically, stockholders holding above 9.9% of the Company's voting interests may be required to provide certain information and/or commitments on a confidential basis to, among other regulators, the Federal Reserve. In connection with the execution of the definitive agreement for the Transaction and in order to facilitate the regulatory approvals of the Transaction, as well as to avoid the incurrence of the informational obligations for stockholders holding above 9.9% of the Company's voting interests, we entered into an agreement whereby our largest stockholder, Shanda Asset Management Holdings Limited and its affiliates (collectively, Shanda), will exchange, subject to certain closing conditions, all shares of our common stock held by Shanda for newly issued non-voting convertible preferred stock. In connection with the exchange, the Company will provide Shanda registration rights and a one-time cash payment. In an effort to protect the Company's ability to obtain the necessary bank regulatory approvals without the support or assistance of another stockholder, the Board approved the adoption of a Temporary Bank Charter

Protection Agreement (the Charter Protection Agreement). The Charter Protection Agreement is designed to deter ownership positions in the Company's stock in excess of certain thresholds set forth by the Federal Reserve under the Bank Holding Company Act by diluting any stockholder who amasses an ownership position in excess of such thresholds without the Company's approval. To ensure the arrangement is tailored to protect the Company and does not unduly infringe on the rights of stockholders, the rights distributed pursuant to the Charter Protection Agreement shall automatically be redeemed upon the earlier of 18 months after its adoption or the close of the Transaction. Nonetheless, the Charter Protection Agreement may deter certain existing or potential stockholders from purchasing shares of the Company's common stock, which may suppress demand for the stock and cause the price to decline.

Substantial and increasing competition in our industry may harm our business.

The lending industry is increasingly competitive. We compete with financial products and companies that attract borrowers, investors or both, as described in "*Item 1. Business – Our competitive advantage.*"

Many of our competitors have significantly greater financial resources and may have access to less expensive capital than we do, and may offer a broader range of products, services or features, assume a greater level of risk, have lower operating or financing costs, or have different profitability expectations than us. Certain competitors may be able to offer lower rates to borrowers than we are able to offer and/or structure their products in a manner that is more attractive to potential borrowers and investors. Additionally, some of our competitors may also be subject to less burdensome licensing and other regulatory requirements.

If we do not offer, price and develop attractive products and services for our borrowers and investors, we may not be able to compete effectively against our competitors and our business and results of operations may be materially harmed.

We are regularly subject to litigation, and government and regulatory investigations, inquiries and requests.

We are regularly subject to claims, individual and class action lawsuits, lawsuits alleging regulatory violations such as the Telephone Consumer Protection Act (TCPA), Fair Credit Reporting Act (FCRA), Unfair and Deceptive Acts and Practices (UDAP) or Unfair, Deceptive or Abusive Acts or Practices (UDAAP) violations, government and regulatory exams, investigations, inquiries or requests, and other proceedings involving consumer protection, privacy, labor and employment, intellectual property, privacy, data protection, information security, securities, tax, commercial disputes, record retention and other matters. The number and significance of these claims, lawsuits, exams, investigations, inquiries and requests have increased as our business has expanded in scope and geographic reach, and our products and services have increased in complexity. We are also subject to significant litigation and regulatory inquiries, as discussed more fully in "*Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 19. Commitments and Contingencies,*" below. In particular, note that on April 25, 2018, the Federal Trade Commission (FTC) filed a complaint in the Northern District of California (*FTC v. LendingClub Corporation*, No. 3:18-cv-02454) alleging causes of action for violations of the Federal Trade Commission Act of 1914, as amended, including claims of deception in connection with disclosures related to the origination fee associated with loans available through the Company's platform, and in connection with communications relating to the likelihood of loan approval during the application process, and a claim of unfairness relating to certain unauthorized charges to borrowers' bank accounts. The FTC's complaint also alleged a violation of the Gramm-Leach-Bliley Act regarding the Company's practices in delivering its privacy notice.

The scope, timing, outcome, consequences and impact of claims, lawsuits, proceedings, investigations, inquiries and requests that we are subject to cannot be predicted with certainty. Determining reserves for our pending litigation is a complex, fact-intensive process that requires significant judgment. Furthermore, resolution of such claims, lawsuits, proceedings, investigations, inquiries and requests could result in substantial fines and penalties, which may materially and adversely affect our business. These claims, lawsuits, proceedings, exams, investigations, inquiries and requests could also: (i) result in reputational harm, criminal sanctions, consent decrees, orders preventing us from offering certain features, functionalities, products or services, (ii) limit the Company's access to credit, (iii) result in a modification or suspension of our business practices (including limiting the maximum interest

rate on certain loans facilitated through our platform and/or refraining from making certain loans available for investment by certain investors), (iv) require us to develop non-infringing or otherwise altered products or technologies, (v) prompt ancillary claims, lawsuits, proceedings, investigations, inquiries and requests, (vi) consume financial and other resources which may otherwise be utilized for other purposes, such as advancing the Company's products and services, (vii) cause a breach or cancellation of certain contracts, or (viii) result in a loss of borrowers, investors and/or ecosystem partners, any of which may adversely affect our business and operations. Furthermore, even following the resolution of any claims, lawsuits, proceedings, exams, investigations, inquiries and requests against the Company, a regulatory enforcement agency could take action against one or more individuals or entities, which may require us to continue to incur significant expense for indemnification for any such individual or entity until such matters may be resolved. Any of these consequences could materially and adversely affect our business.

Holding loans on our balance sheet exposes us to credit, liquidity and interest rate risk, which may adversely affect our financial performance.

A portion of the loans facilitated through our platform are purchased by the Company for a variety of reasons, including, but not limited to: (i) to support structured program transactions, (ii) to facilitate certain whole loan sales initiatives, (iii) to enable the testing or initial launch of alternative loan terms, programs or channels, and (iv) to mitigate marketplace imbalances on our platform for limited grades or terms, which arise when there is insufficient investor demand for certain loans available for purchase.

We may hold loans purchased by the Company for a short period or for a longer term. While these loans are on our balance sheet we earn interest on the loans, but we have exposure to the credit risk of the borrowers. In the event of a decline or volatility in the credit profile of these borrowers the value of these held loans may decline. This may adversely impact the liquidity of these loans, which could produce losses if the Company is unable to realize their fair value or manage declines in their value, each of which may adversely affect our financial performance. Further, utilizing our balance sheet to purchase loans at greater than forecasted amounts may impair our ability to allocate sufficient financial resources for other purposes, such as advancing the Company's products and services, which could impact our results of operations.

With respect to a portion of loans facilitated through our platform and purchased by the Company, including a portion of those that are purchased to mitigate marketplace imbalances for certain grades or terms from time to time, we may provide incentives to investors to purchase such loans from the Company or we may sell the loans at a price that is less than par. Any incentive or difference to par may be partially or wholly offset by other factors, such as interest earned on the loan prior to its sale. However, selling loans with incentives or at prices less than par may discourage investors from purchasing loans on our platform without incentives or at par value, cause the Company to realize less revenue than expected with respect to such loans or prompt dissatisfaction and complaints from investors unable to purchase incentivized or discounted loans, each of which may adversely affect our business and financial results.

If we are unable to develop and commercialize new products and services and enhancements to existing products and services, our business may suffer.

The lending industry is evolving rapidly and changing with disruptive technologies and the introduction of new products and services. We derive a significant portion of our revenue from transaction-based fees we collect in connection with facilitating the origination of unsecured personal loans. To enhance customer engagement and diversify our revenue streams, we are undertaking a strategy to broaden the scope of our products and services we offer. Failure to broaden the scope of our products and services leaves us dependent on a single revenue stream and vulnerable to competitors offering a suite of products and services. Accordingly, a key part of our success depends on our ability to develop and commercialize new products and services and enhancements to existing products and services.

We incur expenses and expend resources to develop and commercialize new products and services and enhancements to existing products and services. However, we may not assign the appropriate level of resources,

priority or expertise to the development and commercialization of these new products, services or enhancements. We also could utilize and invest in technologies, products and services that ultimately do not achieve widespread adoption and, therefore, are not as attractive or useful to our customers as we anticipate. Moreover, we may not realize the benefit of new technologies, products, services or enhancements for many years, and competitors may introduce more compelling products, services or enhancements in the meantime. Competitors also may develop or adopt technologies or introduce innovations that make our lending marketplace platform less attractive to our borrowers and/or investors.

If we are unable to develop and commercialize timely and attractive products and services for our borrowers and investors, our growth may be limited and our business may be materially and adversely affected.

A disruption or failure in services provided by third parties could materially and adversely affect our business.

We increasingly rely on third parties to provide and/or assist with certain critical aspects of our business, including: (i) customer support, (ii) collections, (iii) loan origination, (iv) data verification and (v) cloud computing. These third parties may be subject to cybersecurity incidents, privacy breaches, service disruptions and/or financial, legal, regulatory, labor or operational issues; any of which may result in the third party providing inadequate service levels to us or our customers. In addition, these third parties may breach their agreements with us and/or refuse to continue or renew these agreements on commercially reasonable terms. If any third party provides inadequate service levels or fails to provide services at all, we may face business disruptions, customer dissatisfaction, reputational damage and/or financial and legal exposure; any of which may harm our business.

If the loans facilitated through our lending marketplace were found to violate a state's usury laws, and/or we were found to be the true lender (as opposed to our issuing bank(s)), we may have to alter our business model and our business could be harmed.

The interest rates that are charged to borrowers and that form the basis of payments to investors through our lending marketplace are enabled by legal principles including (i) the application of federal law to enable an issuing bank that originates the loan to "export" the interest rates of the jurisdiction where it is located, (ii) the application of common law "choice of law" principles based upon factors such as the loan document's terms and where the loan transaction is completed to provide uniform rates to borrowers, or (iii) the application of principles that allow the transferee of a loan to continue to collect interest as provided in the loan document. WebBank, the primary issuing bank of the loans facilitated through our lending marketplace, is chartered in, and operates out of, Utah, which allows parties to generally agree by contract to any interest rate. Certain states, including Utah, have no statutory interest rate limitations on personal loans, while other jurisdictions have a maximum rate. In some jurisdictions, the maximum rate is less than the current maximum rate offered by WebBank through our platform. If the laws of such jurisdictions were found to govern the loans facilitated through our lending marketplace (in conflict with the principles described above), those loans could be in violation of such laws.

We operate in a complex and evolving regulatory environment at the federal and state level and although we strive to work with federal, state and local regulatory agencies to help them understand our model and its benefits for consumers, our issuing bank partnership model may be deemed to be inappropriate for certain of the jurisdictions in which we operate. Specifically, note that as discussed in "*Item 1. Business – Regulatory and Compliance Framework*" above, in May 2015, the U.S. Court of Appeals for the Second Circuit issued its decision in *Madden v. Midland Funding, LLC* that interpreted the scope of federal preemption under the National Bank Act (NBA) and held that a nonbank assignee of a loan originated by a national bank was not entitled to the benefits of federal preemption of claims of usury. The Second Circuit's decision is binding on federal courts located in Connecticut, New York, and Vermont, but the decision could also be adopted by other courts. While we believe that our program is factually distinguishable from such case, the decision of the U.S. Court of Appeals for the Second Circuit in *Madden v. Midland Funding, LLC* could create potential liability under state statutes such as usury and consumer protection statutes.

In addition, there have been (and may continue to be) regulatory inquiries and/or litigation challenging lending arrangements where a bank or other third-party has made a loan and then sells and assigns it to an entity that is engaged in assisting with the origination and servicing of a loan. See "*Item 1. Business – Regulatory and Compliance Framework*" above for more information.

If a borrower or a state were to successfully bring claims against us for state usury law violations, and the rate on that borrower's personal loan was greater than that allowed under applicable state law, we could be subject to fines and penalties, including the voiding of loans and repayment of principal and interest to borrowers and investors, and may be in breach of certain representation and warranties we make to our platform investors. In some states, we have decided to limit the maximum interest rate on loans facilitated through our platform. Additionally, we might decide to further modify or suspend certain of our business practices, including limiting the maximum interest rate on certain loans facilitated through our platform and/or refraining from making certain loans available for investment by certain investors, and we might decide to originate loans under state-specific licenses, where such a ruling is applicable. These actions could adversely impact our business. Further, if we were unable to partner with another issuing bank or obtain a bank charter, we would have to substantially modify our business operations from the manner currently contemplated and would be required to maintain state-specific licenses and only provide a limited range of interest rates for personal loans, all of which would substantially reduce our operating efficiency and attractiveness to investors and may materially adversely affect our business, financial condition and results of operations.

The regulatory framework for our business is complex, evolving and uncertain as federal and state governments consider new laws to regulate online lending marketplaces such as ours.

The regulatory framework for online lending marketplaces such as ours is evolving and uncertain. It is possible that new laws and regulations will be adopted in the United States and internationally, or existing laws and regulations may be interpreted in new ways, that would affect the operation of our lending marketplace and the way in which we interact with borrowers and investors. Furthermore, the costs associated with staying current and complying with the regulatory framework may divert significant resources which otherwise might be utilized for other purposes, such as advancing the Company's products and services, which could negatively impact our results of operations. For a discussion of how government regulation impacts key aspects of our business, see "*Item 1. Business – Regulatory and Compliance Framework.*"

Any failure or perceived failure to comply with existing or new laws, regulations, or orders of any government authority (including changes to or expansion of the interpretation of those laws, regulations, or orders), including those discussed in this risk factor, may subject us to significant fines, penalties, criminal and civil lawsuits, forfeiture of significant assets, and enforcement actions in one or more jurisdictions; result in additional compliance and licensure requirements; cause us to lose existing licenses or prevent or delay us from obtaining additional licenses that may be required for our business; increase regulatory scrutiny of our business; restrict our operations; and/or force us to change our business practices, make product or operational changes, or delay planned transactions, product launches or improvements. Any of the foregoing could, individually or in the aggregate, harm our reputation, damage our brands and business, and adversely affect our results of operations and financial condition.

While we have developed policies designed to assist in compliance with these laws and regulations, no assurance can be given that these policies will be effective in preventing violations of these laws and regulations and there can be no assurance that we will not violate such laws and regulations.

Consumer Financial Protection Bureau

As discussed in "*Item 1. Business – Regulatory and Compliance Framework*" above, the CFPB previously announced that it intends to expand its supervisory authority through the use of "larger participant rules." The CFPB has not announced specifics regarding its proposed rulemaking, and recently announced that it intends to review its

policies and priorities. Consequently, there continues to be uncertainty as to how the CFPB's strategies and priorities, including any final rules, will impact our businesses and results of operations going forward.

State Regulatory Framework

As discussed in "*Item 1. Business – Regulatory and Compliance Framework*" above, at the state level, certain states are considering the scope of their regulation and oversight of the financial technology industry. The application of state laws to our business, including the application of usury laws, now or as they may be written or interpreted in the future, could have a significant impact on our ability to do business in any given state and may impact our business and results of operations going forward.

Federal and State Consumer Protection Laws

As discussed in "*Item 1. Business – Consumer Protection Laws*" above, we and our issuing bank partners must comply with regulatory regimes, including those applicable to consumer credit transactions, various aspects of which are untested as applied to our lending marketplace. Certain state laws generally regulate interest rates and other charges and require certain disclosures. In addition, other federal and state laws may apply to the origination and servicing of loans facilitated through our lending marketplace and to communications with or to customers or prospective customers.

Banking Regulations

As disclosed above, we are pursuing a Transaction which, if closed, will result in the Company becoming subject to the Bank Holding Company Act and its restrictions and requirements, including capital requirements and shareholder requirements. In addition, we would become subject to supervision and regulation by the Federal Reserve, as well as other federal bank regulators. We will need to develop a financial and bank capitalization plan and may need to enhance certain of our governance, compliance, controls and management infrastructure and capabilities to be compliant with all applicable regulations and to the satisfaction of the banking regulators. If we are not successful in developing and remaining compliant with a financial and bank capitalization plan and enhancing our governance, compliance, controls and management infrastructure and capabilities, our ability to close the Transaction, obtain a bank charter and/or bank functionality through other avenues, and/or maintain a bank charter may be jeopardized.

Other Regulations

As discussed in "*Item 1. Business – Consumer Protection Laws*" above, we and our issuing bank partners must comply with regulatory regimes, including those applicable to consumer credit transactions, various aspects of which are untested as applied to our lending marketplace. Certain state laws generally regulate interest rates and other charges and require certain disclosures. In addition, other federal and state laws may apply to the origination and servicing of loans facilitated through our lending marketplace.

In particular, the USA PATRIOT and Bank Secrecy Acts require financial institutions to develop programs to prevent financial institutions from being used for money laundering and terrorist activities. If such activities are detected, financial institutions are obligated to file suspicious activity reports with FinCEN. These rules require financial institutions to establish procedures for identifying and verifying the identity of customers seeking to open new financial accounts and monitoring their transactions. Failure to comply with these regulations could result in fines or sanctions and limit our ability to get regulatory approval of acquisitions. Recently several banking institutions have received large fines for non-compliance with these laws and regulations.

Failure to comply with these laws and regulatory requirements applicable to our business may, among other things, limit our or a collection agency's ability to collect all or part of the principal of or interest on loans. As a result, we may not be able to collect our servicing fee with respect to the uncollected principal or interest, and investors may be discouraged from investing in loans. In addition, non-compliance could subject us to damages, revocation of

required licenses, class action lawsuits, administrative enforcement actions, rescission rights held by investors in securities offerings and civil and criminal liability, which may harm our business and our ability to maintain our lending marketplace and may result in borrowers rescinding their loans.

State Licensing Requirements

Where applicable, we will seek to comply with state small loan, lender, solicitation, credit service organization, loan broker, servicing and similar statutes. In U.S. jurisdictions with licensing or other requirements that we believe may be applicable to us, we believe we comply with or are exempt from the relevant requirements through the operation of our lending marketplace with issuing banks and/or licenses that we possess or will seek to obtain. Although we periodically evaluate the need for licensing in various jurisdictions, there is a risk that, at any given time, we will not have the necessary licenses to operate in all relevant jurisdictions or that we will be in full compliance with all applicable requirements. If we are found to not have complied with applicable laws, regulations or requirements, we could: (i) lose one or more of our licenses or authorizations, (ii) become subject to a consent order or administrative enforcement action, (iii) face lawsuits (including class action lawsuits), sanctions or penalties, (iv) be in breach of certain contracts, which may void or cancel such contracts, (v) decide or be compelled to modify or suspend certain of our business practices (including limiting the maximum interest rate on certain loans facilitated through our platform and/or refraining from making certain loans available for investment by certain investors), or (vi) be required to obtain a license in such jurisdiction, which may have an adverse effect on our ability to continue to facilitate loans through our lending marketplace, perform our servicing obligations or make our lending marketplace available to borrowers in particular states; any of which may harm our business.

If the credit decisioning, pricing, loss forecasting and scoring models we use contain errors, do not adequately assess risk, or are otherwise ineffective, our reputation and relationships with borrowers and investors could be harmed, our market share could decline and the value of loans held on our balance sheet may be adversely affected.

Our ability to attract borrowers and investors to, and build trust in, our lending marketplace is significantly dependent on our ability to effectively evaluate a borrower's credit profile and likelihood of default. To conduct this evaluation, we utilize credit decisioning, pricing, loss forecasting and scoring models that assign each loan offered on our lending marketplace a grade and a corresponding interest rate. Our models are based on algorithms that evaluate a number of factors, including behavioral data, transactional data, bank data and employment information, which may not effectively predict future loan losses. If we are unable to effectively segment borrowers into relative risk profiles, we may be unable to offer attractive interest rates for borrowers and risk-adjusted returns for investors. Additionally, if these models fail to adequately assess the creditworthiness of our borrowers, we may experience higher than forecasted losses. Furthermore, as stated above, we hold loans on our balance sheet for a variety of reasons. We periodically assess the value of these loans and in doing so we review and incorporate a number of factors including forecasted losses. Accordingly, if we fail to adequately assess the creditworthiness of our borrowers such that we experience higher than forecasted losses, the value of the loans held our balance sheet may be adversely affected.

We continually refine these algorithms based on new data and changing macro-economic conditions. However, there is no guarantee that the credit decisioning, pricing, loss forecasting and scoring models that we use have accurately assessed the creditworthiness of our borrowers, or will be effective in assessing creditworthiness in the future.

Similarly, if any of these models contain programming or other errors, are ineffective or the data provided by borrowers or third parties is incorrect or stale, our loan pricing and approval process could be negatively affected, resulting in mispriced or misclassified loans or incorrect approvals or denials of loans. If these errors were to occur, we may be obligated to repurchase the affected loans, investors may try to rescind their affected investments or decide not to invest in loans in the future or borrowers may seek to revise the terms of their loans or reduce the use of our lending marketplace for loans.

Fraudulent activity associated with our lending marketplace could negatively impact our operating results, brand and reputation and cause the use of our products and services to decrease and our fraud losses to increase.

We are subject to the risk of fraudulent activity associated with our lending marketplace, issuing bank(s), borrowers, investors and third parties handling borrower and investor information. We have taken measures to detect and reduce the risk of fraud, but these measures need to be continually improved and may not be effective against new and continually evolving forms of fraud or in connection with new product offerings. Under our agreements with investors, we are obligated to repurchase loans in cases of confirmed identity theft. The level of our fraud charge-offs and our results of operations could be materially and adversely affected if fraudulent activity were to significantly increase. High profile fraudulent activity or significant increases in fraudulent activity could lead to regulatory intervention, negatively impact our operating results, brand and reputation and lead us to take steps to reduce fraud risk, which could increase our costs.

In addition, in the past, third parties have attempted to defraud individuals, some of whom may be potential customers of ours, by misappropriating our logos and represented themselves as LendingClub in e-mail campaigns to e-mail addresses that have been obtained outside of LendingClub. In one particular scheme, third parties represented to individuals that they might obtain a loan if they paid an "advance fee." Individuals who believe that the campaigns are genuine may make payments to these unaffiliated third parties. Although we take commercially reasonable steps to prevent third-party fraud, we cannot always be successful in preventing individuals from suffering losses as a result of these schemes. Individuals who suffer damages due to the actions of these unaffiliated third parties may negatively view LendingClub, causing damage to our brand and reputation and reducing our business.

If we are unable to accurately forecast demand for loans, our business could be harmed.

We operate a lending marketplace for consumer credit, balancing borrower demand for loans against investor demand for risk-adjusted returns. We offer credit to borrowers across a range of credit profiles and rates and we offer investment opportunities across a range of risk-adjusted returns. In the event that borrower demand at a given credit rate exceeds investor demand for that product for a given period, we may fund the loans and hold them on our balance sheet, which carries certain risks. The vast majority of investor funding on our platform is non-committed and therefore it is challenging to precisely forecast investor demand. In addition to the discussion in this section, see "*Holding loans on our balance sheet exposes us to credit, liquidity and interest rate risk, which may adversely affect our financial performance.*"

Alternatively, in the event that investor demand at a given return exceeds borrower demand for that product for a given period, there may be insufficient inventory to satisfy investor demand. If investors do not believe their demand can be met on our platform, they may seek alternative investments from ours and our business may suffer.

Liquidity risk could impair our ability to manage and grow our operations, which may adversely affect our financial condition.

As stated above, a portion of the loans facilitated through our platform are purchased by us for a variety of reasons. Purchasing loans requires liquidity and therefore managing our liquidity has become essential to our business.

If we have insufficient liquidity to support loan purchases, we may undertake measures to improve liquidity, including altering operations to require less liquidity, accelerating the sale of existing loans held on our balance sheet, incurring additional indebtedness or raising additional capital. Incurring additional indebtedness and raising additional capital depend on our ability to secure funding in amounts adequate to finance our current and projected operations and on terms attractive to us, each of which could be impaired by factors specific to us or the financial markets generally. A lack of sufficient liquidity may adversely affect our financial condition by, among other things, impairing our ability to meet investor demand for structured program transactions or forcing us to alter our operations in a manner that may reduce origination volume.

In addition, if we are required to rely more heavily on more expensive funding sources to support existing operations and/or future growth, our revenues may not increase proportionately to cover our costs which may adversely affect our operating margins and profitability.

Furthermore, if we obtain a bank charter, we would be required to establish and maintain significant levels of capital, which could make it more difficult to maintain sufficient liquidity to operate our business.

If we do not maintain or continue to increase loan originations facilitated through our lending marketplace, or expand our lending marketplace to new markets, we may not succeed in maintaining and/or growing our business, and as a result our business and results of operations could be adversely affected.

To maintain and continue to grow our business, we must continue to increase loan originations through our lending marketplace by attracting a large number of new borrowers who meet our platform's lending standards and new and existing investors to invest in these loans. Our ability to attract qualified borrowers and attract new and retain existing investors each depends in large part on the success of our marketing efforts, our visibility, placement and customer reviews on third-party platforms, and the competitive advantage of our products, particularly as we continue to grow our lending marketplace and introduce new products. If any of our marketing channels become less effective, or the cost of these channels were to significantly increase, we may not be able to attract new borrowers and attract new and retain existing investors in a cost-effective manner or convert potential borrowers and investors into active borrowers and investors in our lending marketplace. Additionally, changes in the way third-party platforms operate, including changes in our participation on such platforms, could make the maintenance and promotion of our products and services, and thereby maintaining and growing loan originations, more expensive or more difficult.

If there are not sufficient qualified loans facilitated on the platform, investors may be unable to deploy their capital in a timely or efficient manner and may seek other investment opportunities. If the performance of loans facilitated through our platform is lower than expected, we may be unable to attract new and retain existing investors. If there is insufficient investor participation, borrowers may be unable to obtain investment capital for their loans and may stop using our lending marketplace for their borrowing needs, which will impact our business results. If loan originations through our platform decrease, for any reason, our business and financial results may be adversely affected. Furthermore, if we restructure our products, including lowering or eliminating our transaction fees, our financial results may be adversely affected even if we are able to maintain or increase loan originations through our platform.

A small number of investors, including LendingClub, account for a large dollar amount of investment through our lending marketplace and if these investors pause or cease their participation or exert influence over us, our business, financial condition and results of operations may be harmed.

A small number of loan investors, including the Company, account for a large dollar amount of capital on our platform. See "*Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Investments in Quarterly Originations by Investment Channel and Investor Concentration*" for further discussion of and information regarding our investor concentration.

Our success depends in significant part on the financial strength of investors participating on our lending marketplace. Investors could, for any reason, experience financial difficulties and cease participating on our lending marketplace or fail to pay fees when due. The occurrence of one or more of these events with a significant number of investors could, alone or in combination, have a material and adverse effect on our business, financial condition and results of operation.

Additionally, investors may exert significant influence over us, our management and operations. For example, if investors other than the Company pause or discontinue their investment activity, we may need to provide incentives or discounts and/or enter into unique structures or terms to attract investor capital to the platform. These arrangements may have a number of different structures and terms, including alternative fee arrangements or other

inducements. There is also no assurance that we will be able to enter into any of these transactions if necessary, or if we do, what the final terms will be. Failure to attract investor capital on reasonable terms may result in us having to use additional capital to invest in loans or reduce origination volume. Such actions may have a material impact on our business, financial condition and results of operations.

A decline in social and economic conditions may adversely affect our customers, which may negatively impact our business and results of operations.

As a lending marketplace, we believe our customers are highly susceptible to uncertainties and negative trends in the markets driven by, among other factors, general social and economic conditions in the United States and abroad. Economic factors include interest rates, unemployment levels, the impact of a federal government shutdown, natural disasters, gasoline prices, adjustments in monthly payments, adjustable-rate mortgages and other debt payments, the rate of inflation, relative returns available from competing investment products and consumer perceptions of economic conditions. Social factors include changes in consumer confidence levels and changes in attitudes with respect to incurring debt and the stigma of personal bankruptcy.

These social and economic factors may affect the ability or willingness of borrowers to make payments on their loans. Because we make payments to investors ratably only to the extent we receive the borrower's payments on the corresponding loan, if we do not receive payment(s) on the corresponding loan, the investor will not be entitled to the corresponding payment(s) under the terms of the investment or whole loan purchase agreement. In some circumstances, economic and/or social factors could lead to a borrower deciding to pre-pay his or her loan obligation. In the event of a prepayment, while the investor would receive the return of principal, interest would no longer accrue on the loan. Accordingly, the return for the investor would decline as compared to a loan that was timely paid in accordance with the amortization schedule. There is no penalty to borrowers if they choose to pay their loan early.

We strive to establish a lending marketplace in which annual percentage rates are attractive to borrowers and returns, including the impact of credit losses and prepayments, are attractive to investors. These external economic and social conditions and resulting trends or uncertainties could also adversely impact our customers' ability or desire to participate on our platform as borrowers or investors, which could negatively affect our business and results of operations. In addition to the discussion in this section, see "*Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Current Economic and Business Environment.*"

Our growth depends in part on the success of our strategic relationships with third parties.

In order to grow our business and effectuate our product to platform strategy, we anticipate that we will depend in part on our ability to develop and expand our strategic relationship with third parties to offer additional products and services on our platform.

Identifying suitable partners, and negotiating and documenting relationships with them, requires significant time and resources. In some cases, we also compete directly with our partners' product offerings, and if these partners cease their strategic relationship with us it could result in fewer product and service offerings on our platform, which may impede our ability to execute on our product to platform strategy. Further, if we are unsuccessful in establishing or maintaining our relationships with third parties, or realizing the anticipated benefits from such partnerships, our ability to compete and to grow our revenue could be impaired and our operating results may suffer.

If collection efforts on delinquent loans are ineffective or unsuccessful, the return on investment for investors in those loans would be adversely affected and investors may not find investing through our lending marketplace desirable.

With the exception of our auto loan products and certain small business loan products, loans facilitated on our platform are unsecured obligations of borrowers, and they are not secured by any collateral. None of the loans facilitated on our platform are guaranteed or insured by any third party nor backed by any governmental authority in

any way. We are the loan servicer for all loans supporting notes, all certificates and certain secured borrowings, and we are the loan servicer for most, though not all, loans sold as whole loans. The ability to collect on the loans is dependent on the borrower's continuing financial stability, and consequently, collections can be adversely affected by a number of factors, including job loss, divorce, death, illness, personal bankruptcy or the economic and/or social factors referenced above. Furthermore, the application of various federal and state laws, including federal and state bankruptcy and insolvency laws, may limit the amount that can be recovered on these loans. Accordingly, we and our designated third-party servicers and collection agencies are limited in our ability to collect loans.

In addition, most investors must depend on LendingClub or our third-party servicers and collection agents to pursue collection on delinquent borrower loans. We generally use our in-house collections department as a first step when a borrower misses a payment. Because we make payments ratably on an investor's investment only if we receive the borrower's payments on the corresponding loan, if we, or third parties on our behalf, cannot adequately perform collection services, the investor will not be entitled to any payments under the terms of the investment. In the event that our initial in-house attempts to contact a borrower are unsuccessful, we generally refer the delinquent account to the outside collection agent. Further, if collection action must be taken in respect of a loan, we or the collection agency may charge a collection fee on any amounts that are obtained (excluding litigation). These fees will correspondingly reduce the amounts of any payments received by an investor. Similarly, the returns to investors may be impacted by declines in market rates for sales of charged-off loans to third party purchasers. Ultimately, if delinquencies impair our ability to offer attractive risk-adjusted returns for investors, they may seek alternative investments from ours and our business may suffer.

In addition, because our servicing fees depend on the collectability of the loans, if we experience a significant increase in the number of delinquent or charged-off loans we will be unable to collect our entire servicing fee for such loans and our revenue could be adversely affected.

Credit and other information that we receive from borrowers or third parties about a borrower may be inaccurate or may not accurately reflect the borrower's creditworthiness, which may cause us to inaccurately price loans facilitated through our lending marketplace.

Our ability to review and select qualified borrowers depends on obtaining borrower credit information from consumer reporting agencies, such as TransUnion, Experian or Equifax, and other third parties and we assign loan grades to loan requests based on our lending marketplace's credit decisioning and scoring models that take into account reported credit score, other information reported by the consumer reporting agencies and the requested loan amount, in addition to a variety of other factors. A credit score or loan grade assigned to a borrower may not reflect that borrower's actual creditworthiness because the credit score may be based on outdated, incomplete or inaccurate consumer reporting data, and we do not verify the information obtained from the borrower's credit report.

Additionally, there is a risk that, following the date of the credit report or other third-party data that we obtain and review, a borrower may have:

- become delinquent in the payment of an outstanding obligation;
- defaulted on a pre-existing debt obligation;
- taken on additional debt; or
- sustained other adverse financial events.

In addition, borrowers supply a variety of information that is included in the loan listings on our lending marketplace, and it may be inaccurate or incomplete. To verify a borrower's identity, income or employment, our verification process and teams connect to various data sources, directly or through third-party service providers, contact the human resources department of the borrower's stated employer, or request pay stubs. However, we often do not verify a borrower's stated tenure, job title, home ownership status or intention for the use of loan proceeds.

The factors above may result in loans being issued to otherwise non-qualified borrowers and/or impact our ability to effectively segment borrowers into relative risk profiles, each of which may impair our ability to offer attractive risk-adjusted returns for investors, which may cause investors to seek alternative investments from ours and our

business may suffer. Additionally, if borrowers default on loans that are not priced correctly because the information provided by the borrowers or third parties is inaccurate, investors may try to rescind their affected investments in these loans or the loans may not perform as expected and our reputation may be harmed.

Our ability to offer our notes depends upon our compliance with requirements under federal or state securities laws.

We issue member payment dependent notes sold pursuant to the Note Registration Statement. We qualify as a "well-known seasoned issuer," which allows us to file automatically effective registration statements with the Securities and Exchange Commission (SEC). Under SEC rules, for certain material updates, we must file post-effective amendments, which, if we do not qualify as a "well-known seasoned issuer," do not become effective until declared effective by the SEC. We may fail to maintain our "well-known seasoned issuer" status if we do not file SEC reports on a timely manner or for other reasons. In addition, if we fail to file our Annual Reports on Form 10-K or quarterly reports on Form 10-Q on a timely basis or are otherwise required to suspend use of a registration statement for the notes, we could be required to suspend offering of our notes until the deficiency is resolved. Because we offer notes on a continuous basis, securities law restrictions may also limit our ability to market or advertise to potential investors.

We are also currently required to register or qualify for an exemption in every state in which we offer securities. Qualification in a state can be a time-consuming process, often requiring periodic renewals. Failure to timely renew these registrations may require us to pay penalties, suspend further offerings until we regain compliance and make rescission offers in connection with previously completed investments.

Certain states in which we offer notes also impose special suitability standards and other conditions for operation in their states, restricting the persons and conditions under which we may make offerings in these states. We do not offer our notes in all states due to the restrictions of certain states. While we believe that we may now rely on federal preemption of state registration and qualification requirements, states may interpret federal law as applied to our notes differently, possibly requiring us to continue to make filings in or limit operations in those states. Regardless of any such registration, qualification or preemption, we are subject to both state and federal antifraud rules of each state in which we operate.

As a result of these requirements, actual or alleged non-compliance with federal or state laws or changes in federal or state law or regulatory policy could limit our ability to offer notes in certain states, require us to pay fines or penalties, or curtail our operations.

Fluctuations in interest rates could negatively affect transaction volume.

As of the date of this Report, all personal, auto, and small business loans facilitated through our lending marketplace are issued with fixed interest rates, and education and patient finance loans are issued with fixed or variable rates, depending on the type of loan. If interest rates rise, potential borrowers could seek to defer taking new loans as they wait for interest rates to decrease and/or settle, and borrowers of variable rate loans may be subject to increased interest rates, which could increase default risk. If interest rates decrease after a loan is made, existing borrowers may prepay their loans to take advantage of the lower rates. Furthermore, investors would lose the opportunity to collect the higher interest rate payable on the corresponding loan and may delay or reduce future loan investments. To the extent that we hold loans for sale on our balance sheet, we will be at risk to rising interest rates between origination and sale. In order to sell such loans, we may need to reduce the sale price in order to satisfy the yield expectations of our investors.

Since the most recent recession, the U.S. Federal Reserve has taken actions which have resulted in low interest rates prevailing in the marketplace for a historically long period of time. In 2018, the U.S. Federal Reserve raised its benchmark interest rate on multiple occasions. Although in 2019 the benchmark interest rate was lowered by the U.S. Federal Reserve, the interest rate environment is dynamic and interest rate increases may materially and negatively affect us, as rising interest rates could have a dampening effect on overall economic activity and/or the

financial condition of our customers, either or both of which could negatively affect demand for our products and services.

For many reasons, including those stated above, fluctuations in the interest rate environment may discourage investors and borrowers from participating in our lending marketplace and may reduce our loan originations, which may adversely affect our business.

Any significant disruption in service on our platform or in our technology systems, including events beyond our control, could have a material adverse effect on our operations.

We believe the technology platform that powers our lending marketplace enables us to deliver solutions to borrowers and investors and provides a significant time and cost advantage over traditional banks. The satisfactory performance, reliability and availability of our technology and our underlying network infrastructure are critical to our operations, customer service and reputation. Our failure to maintain satisfactory performance, reliability and availability of our technology and our underlying network infrastructure may impair our ability to attract new and retain existing borrowers and investors, which could have a material adverse effect on our operations.

Our platform systems are mirrored between two third-party owned and operated facilities. Our primary location is in Las Vegas, Nevada and is operated by Switch, Inc. Our secondary location is located in Santa Clara, California and is operated by CenturyLink. Our operations depend on each provider's ability to protect its and our systems in their facilities against damage or interruption from natural disasters, power or telecommunications failures, air quality issues, environmental conditions, computer viruses or attempts to harm our systems, criminal acts and similar events. If our arrangement with either provider is terminated or if there is a lapse of service or damage to their facilities, we could experience interruptions in our service as well as delays and additional expense in arranging new facilities.

Any interruptions or delays in our technology systems or service, whether as a result of third-party error, our error, natural disasters, terrorism, other man-made problems, or security breaches, whether accidental or willful, could harm our relationships with our borrowers and investors and our reputation. Additionally, in the event of damage or interruption, our insurance policies may not adequately compensate us for any losses that we may incur. Our disaster recovery plan has not been tested under actual disaster conditions, and we may not have sufficient capacity to recover all data and services in the event of an outage. These factors could prevent us from processing or posting payments on the loans, damage our brand and reputation, divert our employees' attention, reduce our revenue, subject us to liability and cause borrowers and investors to abandon our lending marketplace, any of which could adversely affect our business, financial condition and results of operations.

We are exposed to cyber-attacks, data breaches, internal employee and other insider misconduct, computer viruses, physical and electronic break-ins and similar disruptions that may adversely impact our ability to protect the confidential information of our borrowers and our investors and that could adversely impact our reputation, business approach and financial performance.

Our business involves the collection, storage, processing and transmission of customers' personal data, including financial information of borrowers and investors. The highly automated nature of our lending marketplace, our reliance on digital technologies and the types and amount of data collected, stored and processed on our systems make us an attractive target and subject to cyber-attacks, computer viruses, physical or electronic break-ins and similar disruptions. In addition, in certain circumstances we utilize third-party vendors, including cloud applications and services, to facilitate the servicing of borrower and investor accounts. Under these arrangements, these third-party vendors require access to certain customer data for the purpose of servicing the accounts. While we have taken steps to protect confidential information that we have access to, our security measures or those of our third-party vendors are subject to breach. These security breaches and other unauthorized access to our lending marketplace and servicing systems can result in confidential borrower and investor information being stolen and potentially used for criminal purposes. Security breaches or unauthorized access to confidential information expose us to liability related to the loss of the information, time-consuming and expensive litigation and negative publicity. Breaches of

our security measures because of third-party action, employee error, third-party vendor error, malfeasance or otherwise, or because of design flaws in our software that are exposed and exploited, could adversely impact our relationships with borrowers and investors, and we could incur significant liability.

The techniques used to obtain unauthorized, improper or illegal access to our systems, our data or customers' data, disable or degrade service, or sabotage systems are constantly evolving, may be difficult to detect quickly, and often are not recognized until after they have been launched against a target. Unauthorized parties can and have attempted to gain access to our systems and facilities through various means, including, among others, hacking into the systems or facilities of us or our partners or customers, or attempting to fraudulently induce our employees, partners, customers or others into disclosing user names, passwords, or other sensitive information, which may in turn be used to access our information technology systems. Certain efforts may be state-sponsored and supported by significant financial and technological resources, making them even more difficult to detect. Computer malware, viruses and hacking, phishing and denial of service attacks by third parties have become more prevalent in our industry, and have occurred on our systems in the past and may occur on our systems in the future. Although to date the Company has not suffered material costs or disruption to our business caused by any such incident, any future security breach could have a material adverse impact on our relationships with our borrowers and our reputation, business operations and financial performance.

Federal and state regulators and many federal and state regulations require notice if data security breaches involve certain personal data. The notice may be difficult to provide in a timely fashion for many reasons, including due to the complexity of gathering, verifying and analyzing relevant information. Furthermore, these mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause borrowers and investors to lose confidence in the effectiveness of our data security measures. Any security breach, whether actual or perceived, would harm our reputation, we could lose borrowers, investors and ecosystem partners and our business and operations could be adversely affected. Additionally, our insurance policies carry a self-insured retention and coverage limits, which may not be adequate to reimburse us for losses caused by security breaches, and we may not be able to collect fully, if at all, under these insurance policies.

Cyber-attacks suffered by third parties could negatively affect our business.

We utilize certain information provided by third parties to facilitate the marketing, distribution, servicing and collection of loans. A cyber-attack suffered by a third-party that provides data to us could impact our ability to market, distribute, service or collect for borrowers or investors. For example, Equifax announced a significant cyber breach that impacted millions of consumers. We utilize certain information from Equifax to allow us to market our products through pre-screened offers to qualified borrowers. If a consumer elects to "freeze" their credit data, we will not be able to access their information to make these pre-screened offers.

In addition, if consumers cease to trust credit reporting agencies or other third-party data providers because of cyber-attacks, they may be less willing to participate in borrowing or investing activities generally, which could impact our business. Further, as a result of the release of personally identifiable information from a third-party platform, we could experience an increase in fraudulent loan applications or investor accounts. Under our policies, we reimburse investors for any loan obtained as a result of a verified identity fraud and any increase in identity theft could result in increased reimbursement costs.

We may incur substantial indebtedness and any failure to meet our debt obligations could adversely affect our business.

We have and may continue to enter into arrangements pursuant to which we can incur significant indebtedness. For example, as of December 31, 2019, we had $60.0 million in debt outstanding under our Revolving Facility and $387.3 million in debt outstanding, in the aggregate, under our Warehouse Facilities. We may enter into additional financing arrangements, which could increase the aggregate amount of indebtedness we can incur.

Our ability to make payments on our debt, to repay our existing indebtedness when due, and to fund our business and operations and significant planned capital expenditures will depend on our ability to pay with available cash or generate cash in the future. This, to a certain extent, is subject to financial, competitive, legislative, regulatory and other factors that are beyond our control. In addition, if we cannot service our indebtedness, we may have to take actions such as utilizing available capital, limiting the facilitation of additional loans, selling assets, selling equity or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances, any of which could impede the implementation of our business strategy, prevent us from entering into transactions that would otherwise benefit our business and/or negatively affect our business. We also may not be able to refinance our indebtedness or take such other actions, if necessary, on commercially reasonable terms, or at all.

Furthermore, as stated earlier, we have and may increasingly securitize assets and offer other similar structured instruments, such as our CLUB Certificate product. To support these offerings and other initiatives, we have and will likely continue to use credit facilities to finance the purchasing and holding of loans on our balance sheet, to ultimately be used in connection with such offerings and initiatives. If, however, we are unable to consummate these types of offerings or other initiatives in accordance with our expectations, we may be required to hold loans on our balance sheet for longer than expected, or until the maturity of the loans. This may adversely impact our ability to repay our indebtedness when due and divert resources away from other projects and initiatives.

Some of our debt carries a floating rate of interest linked to the London Inter-bank Offered Rate (LIBOR). On July 27, 2017, the United Kingdom Financial Conduct Authority (FCA) announced that it intends to stop persuading or compelling banks to submit rates for the calculation of LIBOR after 2021. As a result, while the FCA and the submitting LIBOR banks have indicated they will support the LIBOR indices through 2021 to allow for an orderly transition to an alternative reference rate, it is possible that beginning in 2022, LIBOR will no longer be available as a reference rate. In particular, the interest rate of borrowings under our Personal Loan and Auto Loan Warehouse Credit Facilities, Revolving Facility and repurchase agreements are predominately based upon LIBOR. While these agreements generally include alternative rates to LIBOR, if a change in indices results in interest rate increases on our debt, debt service requirements will increase, which could adversely affect our cash flow and operating results. Furthermore, for those agreements which do not include alternative rates to LIBOR, while we plan on working in good faith with the lenders thereto to establish an alternate benchmark rate, in the event that an agreement cannot be reached on an appropriate benchmark rate, the availability of borrowings under these agreements could be adversely impacted. At this time, the Company does not expect a materially adverse change to its financial condition or liquidity as a result of any such changes or any other reforms to LIBOR that may be enacted in the United Kingdom or elsewhere.

Certain of our credit facilities have “Commitment Termination Dates,” at which point the Company’s ability to borrow additional funds ends under such facilities. We are working to amend and extend the Commitment Termination Dates of these three facilities, or to replace them with substantially similar facilities. We are also evaluating additional facilities with existing and new financial institutions. Under the respective agreements, if not amended, extended, or replaced, any outstanding debt on the Commitment Termination Dates would be repaid as an amortizing term loan, which would preclude our ability to draw additional funds from such facility and may adversely impact our ability to fund certain projects and initiatives.

From time to time we may evaluate and potentially consummate acquisitions or other strategic transactions, which could require significant management attention, disrupt our business and adversely affect our financial results.

We may evaluate and consider strategic transactions, combinations, acquisitions, dispositions or alliances. These transactions could be material to our financial condition and results of operations if consummated. If we are able to identify an appropriate business opportunity, we may not be successful in negotiating favorable terms and/or consummating the transaction and, even if we do consummate such a transaction, we may be unable to obtain the benefits or avoid the difficulties and risks of such transaction.

Any strategic transaction, combination, acquisition, disposition or alliance will involve risks encountered in business relationships, including:

- difficulties in assimilating and integrating the operations, personnel, systems, data, technologies, products and services of the acquired business;
- inability of the acquired technologies, products or businesses to achieve expected levels of revenue, profitability, productivity or other benefits;
- difficulties in retaining, training, motivating and integrating key personnel;
- diversion of management's time and resources from our normal daily operations;
- difficulties in successfully incorporating licensed or acquired technology and rights into our platform;
- difficulties in maintaining uniform standards, controls, procedures and policies within the combined organizations;
- difficulties in retaining relationships with customers, employees and suppliers of the acquired business;
- risks of entering markets in which we have no or limited direct prior experience;
- regulatory risks, including remaining in good standing with existing regulatory bodies or receiving any necessary pre-closing or post-closing approvals, as well as being subject to new regulators with oversight over an acquired business;
- assumption of contractual obligations that contain terms that are not beneficial to us, require us to license or waive intellectual property rights or increase our risk for liability;
- failure to successfully further develop the acquired technology;
- liability for activities of the acquired or disposed of business before the acquisition or disposition, including patent and trademark infringement claims, violations of laws, regulatory actions, commercial disputes, tax liabilities and other known and unknown liabilities;
- difficulty in separating assets and replacing shared services;
- assumption of exposure to performance of any acquired loan portfolios;
- potential disruptions to our ongoing businesses; and
- unexpected costs and unknown risks and liabilities associated with the acquisition.

We may not make any transactions, combinations, acquisitions, dispositions or alliances, or any future transactions, combinations, acquisitions, dispositions or alliances may not be successful, may not benefit our business strategy, may not generate sufficient revenue to offset the associated costs or may not otherwise result in the intended benefits. It may take us longer than expected to fully realize the anticipated benefits and synergies of these transactions, and those benefits and synergies may ultimately be smaller than anticipated or may not be realized at all, which could adversely affect our business and operating results.

Any transactions, combinations, acquisitions, dispositions or alliances may also require us to issue additional equity securities, spend our cash, or incur debt (and increased interest expense), liabilities, and amortization expenses related to intangible assets or write-offs of goodwill, which could adversely affect our results of operations and dilute the economic and voting rights of our stockholders and the interests of holders of our indebtedness.

In addition, we cannot assure you that any future acquisition of new businesses or technology will lead to the successful development of new or enhanced products and services or that any new or enhanced products and services, if developed, will achieve market acceptance or prove to be profitable. Further, we may also choose to divest certain businesses or product lines that no longer fit with our strategic objectives. If we decide to sell assets or a business, we may have difficulty obtaining terms acceptable to us in a timely manner, or at all. Additionally, the terms of such potential transactions may expose the Company to ongoing obligations and liabilities.

Our ability to use our deferred tax assets to offset future taxable income may be subject to certain limitations that could subject our business to higher tax liabilities.

We may be limited in the portion of net operating loss carryforwards that we can use in the future to offset taxable income for U.S. federal and state income tax purposes. The Tax Cuts and Jobs Act (the Tax Act) enacted on December 22, 2017, makes broad and complex changes to the U.S. tax code. While future interpretative guidance of

the Tax Act and how many U.S. states will incorporate these federal law changes may have an impact on our business, the Tax Act's reduction of the federal corporate income tax rate from 35% to 21%, effective January 1, 2018, has reduced our deferred tax asset associated with net operating loss carryforwards (NOLs). A lack of future taxable income would adversely affect our ability to utilize our NOLs.

In addition, under Section 382 of the Internal Revenue Code of 1986, as amended (Code), a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its NOLs to offset future taxable income. Future changes in our stock ownership as well as other changes that may be outside of our control, could result in additional ownership changes under Section 382 of the Code. Our NOLs may also be impaired under similar provisions of state law.

We assess the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. On the basis of this evaluation, a full valuation allowance has historically been recorded to recognize only deferred tax assets that are more likely than not to be realized.

Finally, further changes to the federal or state tax laws or technical guidance relating to the Tax Act that would further reduce the corporate tax rate could operate to effectively reduce or eliminate the value of any deferred tax asset. Our tax attributes as of December 31, 2019 may expire unutilized or underutilized, which could prevent us from offsetting future taxable income.

Our business may be adversely affected if our risk management framework does not effectively identify, assess and mitigate risk.

Our risk management framework seeks to appropriately balance risk and return and mitigate our risks. We have established policies intended to regularly identify and assess our risk profile, including credit risk, pricing risk, liquidity risk, strategic risk and operational risk, and then implement appropriate processes and controls to mitigate the risk.

If our risk management framework does not effectively identify, assess and/or mitigate our risk profile, we could suffer unexpected losses or be adversely affected, which could have a material adverse effect on our business. For example, assessment of our risk profile depends, in part, upon the use of forecasting models. If these models are ineffective at predicting future losses or are otherwise inadequate, we may incur unexpected losses or otherwise be adversely affected. In addition, the information we use may be inaccurate or incomplete, both of which may be difficult to detect and avoid. Additionally, there may be risks that exist, or that develop in the future, that we have not appropriately anticipated, identified or mitigated.

Failure to maintain, protect and promote our brand may harm our business.

Maintaining, protecting and promoting our brand is critical to achieving widespread acceptance of our products and services and expanding our base of borrowers and investors. Maintaining, protecting and promoting our brand depends on many factors, including our ability to continue to provide useful, reliable, secure and innovative products and services, as well as our ability to maintain trust.

Our brand can be harmed in many ways, including failure by us or our partners to satisfy expectations of service and quality, inadequate protection of sensitive information, failure to maintain or provide adequate or accurate documentation and/or disclosures, compliance failures, failure to comply with contractual obligations, regulatory requests, inquiries or proceedings, litigation and other claims, employee misconduct and misconduct by our partners. We have also been, and may in the future be, the target of incomplete, inaccurate and/or misleading statements about our company, our business, and/or our products and services. Furthermore, our ability to maintain, protect and promote our brand is partially dependent on visibility and customer reviews on third-party platforms. Changes in the way these platforms operate could make the maintenance, protection and promotion of our products and services and our brand more expensive or more difficult. If we do not successfully maintain, protect and

promote our brand we may be unable to maintain and/or expand our base of borrowers and investors, which may materially harm our business.

Third party service disruptions may prevent us from being able to score and decision loan applicants, which may adversely affect our business.

The credit decisioning and scoring models we utilize are based on algorithms that evaluate a number of factors and currently depend on sourcing certain information from third parties, including consumer reporting agencies such as TransUnion, Experian or Equifax. In the event that any third party from which we source information experiences a service disruption, whether as a result of maintenance, error, natural disasters, terrorism or security breaches, whether accidental or willful, our ability to score and decision loan applications may be adversely impacted. This may result in us being unable to approve otherwise qualified applicants, which may adversely impact our business by negatively impacting our reputation and reducing the number of loans we are able to facilitate.

Negative publicity and unfavorable media coverage could negatively affect our business.

Negative publicity about our industry or our company, including with respect to the quality and reliability of our lending marketplace, effectiveness of the credit decisioning or scoring models used in the lending marketplace, the effectiveness of our collection efforts, statements regarding investment returns, changes to our lending marketplace, our ability to grow our borrower and investor base at a rate expected by the market, our ability to effectively manage and resolve borrower and investor complaints, our ability to manage borrower and investor accounts in compliance with regulatory requirements which may not be clear, privacy and security practices, use of loan proceeds by certain borrowers of ours or other companies in our industry for illegal purposes, litigation, regulatory activity and the experience of borrowers and investors with our lending marketplace or services, even if inaccurate, could adversely affect our reputation and the confidence in, and the use of, our lending marketplace, which could harm our business and operating results. Harm to our reputation can arise from many sources, including employee misconduct, misconduct by our partners or partners of partners, other online lending marketplaces, outsourced service providers or other counterparties, failure by us or our partners to meet minimum standards of service and quality, inadequate protection of borrower and investor information and compliance failures and claims.

The collection, processing, storage, use and disclosure of personal data could give rise to liabilities as a result of governmental regulation, conflicting legal requirements or differing views of personal privacy rights.

We receive, transmit and store a large volume of personally identifiable information and other user data. There are federal, state and foreign laws regarding privacy and the storing, sharing, use, disclosure and protection of personally identifiable information and user data. Specifically, personally identifiable information is increasingly subject to legislation and regulations in numerous U.S. and international jurisdictions, the intent of which is to protect the privacy of personal information that is collected, processed and transmitted in or from the governing jurisdiction. Governments, regulators, the plaintiffs' bar, privacy advocates and customers have increased their focus on how companies collect, process, use , store, share and transmit personal data. This regulatory framework for privacy issues worldwide is evolving and is likely to continue doing so for the foreseeable future, which creates uncertainty. For example, the California Consumer Privacy Act (CCPA) of 2018, which became effective January 1, 2020, imposes more stringent requirements with respect to California data privacy. The CCPA will, among other things, give California residents expnaded rights to access and delete certain personal information, opt out of certain personal information sharing, and receive detailed information about how certain personal information is used. Additionally, the California Department of Justice published draft regulations to implement the CCPA. We cannot yet predict the full impact of the CCPA on our business or operations, but it may require us to modify our data processing practices and policies and to incur substantial costs and expenses in an effort to comply. We could also be adversely affected if other legislation or regulations are expanded to require changes in business practices or privacy policies, or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our business, financial condition and results of operations. Any actual or perceived failure to comply with data privacy laws or regulations, or related contractual or other obligations, or any perceived privacy rights violation, could lead to investigations, claims, and proceedings by governmental entities and private parties,

damages for contract breach, and other significant costs, penalties, and other liabilities, as well as harm to our reputation and market position.

We post on our website our privacy policies and practices concerning the collection, use, and disclosure of information. We also obtain consent from our borrowers to share information under certain conditions. Our failure, real or perceived, to comply with applicable privacy policies or federal, state or foreign laws and regulations or any compromise of security that results in the unauthorized release of personally identifiable information or other user data could damage our reputation, discourage potential borrowers or investors from using our lending marketplace or result in fines or proceedings brought against us, our issuing banks or other third parties by governmental agencies, borrowers, investors or other third parties, one or all of which could adversely affect our business, financial condition and results of operations. In addition to laws, regulations and other applicable common law rules regarding privacy and privacy advocacy, industry groups or other private parties may propose new and different privacy standards. We could also be subject to liability for the inappropriate use of information made available by us. Because the interpretation and application of privacy and data protection laws and privacy standards are still uncertain, it is possible that these laws or privacy standards may be interpreted and applied in a manner that is inconsistent with our practices. Any inability to adequately address privacy concerns, even if unfounded, or to comply with applicable privacy or data protection laws, regulations and privacy standards, could result in additional cost and liability for us, damage our reputation, inhibit use of our lending marketplace and harm our business.

Any failure to protect our own intellectual property rights could impair our brand, or subject us to claims for alleged infringement by third parties, which could harm our business.

We rely on a combination of copyright, trade secret, trademark and other rights, as well as confidentiality procedures and contractual provisions to protect our proprietary technology, underwriting and credit decisioning credit data, processes and other intellectual property. However, the steps we take to protect our intellectual property rights may be inadequate. Third parties may seek to challenge, invalidate or circumvent our copyright, trade secret, trademark and other rights or applications for any of the foregoing. Further, as our business continues to expand we may increase our dependence on third parties to provide additional products and services. Third parties who are contractually obligated to protect our intellectual property may be the target of data breaches or may breach their obligations and disseminate, misappropriate or otherwise misuse our proprietary technology, underwriting and credit decisioning credit data, processes and other intellectual property. Additionally, our competitors, as well as a number of other entities and individuals, may own or claim to own intellectual property relating to our industry. From time to time, third parties may claim that we are infringing on their intellectual property rights, and we may be found to be infringing on such rights. We may, however, be unaware of the intellectual property rights that others may claim cover some or all of our technology or services.

In order to protect our intellectual property rights, we may be required to spend significant resources. Litigation brought to protect and enforce our intellectual property rights could be costly, time-consuming and distracting to management and could result in the impairment or loss of portions of our intellectual property. In addition, any claims or litigation could cause us to incur significant expenses and, if successfully asserted against us, could require that we pay substantial damages or ongoing royalty payments, prevent us from offering our products or operating our platform or require that we comply with other unfavorable terms. Our failure to secure, protect and enforce our intellectual property rights could seriously adversely affect our brand and adversely impact our business.

Risk retention rules may increase our compliance costs, impair our liquidity and otherwise adversely affect our operating results.

We have been using, and may increasingly use, securitizations and other structured program transactions, like our CLUB Certificates, as a source of liquidity and financing for our business. Such transactions provide us with additional sources of investor demand for the consumer loans facilitated through our platform. If credit rating downgrades, market volatility, market disruptions, regulatory requirements or other factors impede our ability to

complete additional structured program transactions on a timely basis or upon terms acceptable to us, our ability to fund our business may be adversely affected.

Effective as of December 24, 2016, "risk retention" rules promulgated by U.S. federal regulators under the Dodd-Frank Act (the U.S. Risk Retention Rules) require a "securitizer" or "sponsor" of a securitization transaction to retain, directly or through a "majority-owned affiliate" (each as defined in the U.S. Risk Retention Rules), in one or more prescribed forms, at least 5% of the credit risk of the securitized assets. For the securitization transactions for which we have acted as "sponsor," we have sought to satisfy the U.S. Risk Retention Rules by retaining a "vertical interest" (as defined in the U.S. Risk Retention Rules) through either a majority-owned affiliate (MOA) or directly on our balance sheet. For any CLUB Certificate transactions, we have sought to satisfy the U.S. Risk Retention Rules by retaining a 5% interest in the CLUB Certificate issued by the applicable series trust. In addition to the discussion in this section, see "*Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 1. Basis of Presentation*" and "*Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 7. Securitizations and Variable Interest Entities*." In addition, in order to facilitate certain investor offerings in Europe, we structured certain of the securitization transactions for which we acted as "sponsor" prior to January 1, 2019 so they complied with the risk retention and ongoing monitoring and diligence requirements of (i) Articles 404-410 of the European Capital Requirements Regulation, as supplemented by the Commission Delegated Regulation (EU) No. 625/2014 and Commission Implementing Regulation (EU) No. 602/2014 (the CRR Requirements), (ii) Article 17 of the European Union Alternative Investment Fund Managers Directive and Articles 50-56 of the Alternative Investment Fund Managers Regulation (EU) No. 231/2013 (the AIFM Requirements), and (iii) Article 135(2) of EU Directive 2009/138/EC, as supplemented by Articles 254-257 of the Commission Delegated Regulation (EU) No. 2015/35 (the Solvency II Requirements, together with the CRR Requirements and the Solvency II Requirements, the Old EU Risk Retention Rules). We have sought to satisfy the Old EU Risk Retention Rules with respect to such securitization transactions by retaining a "material net economic interest" (as defined in the Old EU Risk Retention Rules) directly on our balance sheet.

The Old EU Risk Retention Rules were replaced by new requirements that are applicable to securitizations in respect of which the relevant securities were issued on or after January 1, 2019. For securitizations in respect of which the relevant securities were issued before January 1, 2019, the Old EU Risk Retention Rules continue to apply. The new requirements were adopted by the European Parliament and the Council of the European Union as Regulation (EU) 2017/2402 of December 12, 2017 (the New EU Risk Retention Rules, together with the Old EU Risk Retention Rules and the U.S. Risk Retention Rules, the Risk Retention Rules). There can be no assurance that our securitizations issued after January 1, 2019 will fully comply with the New EU Risk Retention Rules or new EU due diligence and transparency requirements which may have a negative effect on our ability to complete additional securitization transactions.

We have also participated in other securitizations for which we have determined that we are not the "sponsor," and accordingly, we have not sought to comply with any Risk Retention Rules that would be applicable to the "sponsor" of those transactions. The Risk Retention Rules are subject to varying interpretations, and one or more regulatory or governmental authorities could take positions with respect to the Risk Retention Rules that conflict with, or are inconsistent with, the Risk Retention Rules as understood or interpreted by us, the securitization industry generally, or past or current regulatory or governmental authorities. There can be no assurance that applicable regulatory or governmental authorities will agree with any of our determinations described above, and if such authorities disagree with such determinations, we may be exposed to additional costs and expenses, in addition to potential liability. Furthermore, we expect that compliance with the Risk Retention Rules (and other related laws and regulations), as currently understood by us, may entail the implementation of new forms, processes, procedures, controls and infrastructure. Such implementation may be costly and may adversely affect our operating results.

In addition to the increased costs we expect to be generated by our efforts to comply with applicable Risk Retention Rules, which may be significant, we expect compliance with any applicable Risk Retention Rules will tie up our capital, which could potentially have been deployed in other ways that could have generated better value for our shareholders. Holding risk retention interests or loans in contemplation of structured financing increases our

exposure to the performance of the loans that underlie or are expected to underlie those transactions. Accordingly, although compliance with applicable Risk Retention Rules would be expected to more closely align our incentives with those of the investors in our loans, it is also expected that poor loan performance may have a heightened adverse effect on the value of our shares. This may exacerbate the negative effects of poor loan performance on the value of our shares.

If we breach representations or warranties that we made in our securitization, whole loan or CLUB Certificate transactions, or if either we suffer a direct or indirect loss in our retained interests in these transactions, our financial condition could be harmed.

We sponsor a number of sales of unsecured personal whole loans through asset-backed securitizations. In connection with these securitizations, as well as our whole loan and CLUB Certificate transactions, we make certain customary representations, warranties and covenants. If there is a breach of those representations and warranties that materially and adversely affects the value of the subject loans, then we will be required to either cure the breach, repurchase the affected loans from the purchasing entity, replace the affected loans with other loans or make a loss of value payment, as the case may be. Any losses that result could be material and have an adverse effect on our financial condition.

For a description of the interests we have retained in connection with complying with risk retention rules applicable to us as a sponsor of securitization transactions, see "*Risk retention rules may increase our compliance costs, impair our liquidity and otherwise adversely affect our operating results.*" In the event that we suffer losses on all or a portion of the interests in any securitization transaction that we have retained (whether to comply with applicable risk retention rules or otherwise), our financial condition could be harmed.

We may enter into similar transactions in the future and those transactions are likely to entail similar and other substantial risks.

If we are unable to offer investors a satisfactory breadth and volume of investment opportunities, our business and results of operations may be materially harmed.

We invest in our lending marketplace platform and regularly iterate our processes to provide improved and more efficient investment opportunities, which includes efforts to provide investors the opportunity to invest in a broad selection of loans. However, various factors may contribute to certain loans being available only in a limited quantity or being entirely unavailable to certain investors.

With respect to our member payment dependent notes, our lending marketplace platform allows investors to select which loans to invest in manually, via an application program interface (API) or by using our automated investing service which selects notes based on investment criteria selected by the investor. Loans selected for investment by a particular investor or group of investors may not be available for investment to other investors. This variability in the availability of loans for investment may cause returns to vary from investor to investor. For example, certain loans selected via API or by manual investors may be unavailable when the automated investing service orders are placed and therefore returns of manual investors or investors utilizing API may vary from, and be higher than, the returns from our automated investing service if manual investors or investors utilizing API are able to identify and select higher performing loans.

In addition, some of our agreements with platform investors contain provisions regarding the manner in which our lending marketplace platform product operates that could constrain the manner in which our lending marketplace platform product can develop, particularly with respect to how loans are selected for investment. Some of these agreements provide for significant damages in the event of a breach and some provide for liquidated damages in the event that we are unable to perform and deliver in accordance with the contractual specifications and schedule. These agreements could constrain the development of our lending marketplace, including efforts to offer a breadth of investment opportunities for and among a variety of investors, and/or result in significant damages that could impact our results in a given period.

If investors, automated or otherwise, are unable to invest in certain categories of loans, are unable to invest at the volume they desire, perceive that they are not offered the same investment opportunities as other investors and/or are dissatisfied with the risk-adjusted return they receive from investing on our platform, they may seek alternative investments from ours which may materially harm our business and results of operations.

If we fail to attract and retain our highly skilled employees needed to support our business, we may not be able to achieve our anticipated level of growth and our business could suffer.

We believe our success depends on the efforts and talents of our employees, including software engineers, financial, credit and risk personnel and marketing professionals. Our future success depends on our continued ability to attract, develop, motivate and retain highly qualified and skilled employees. Competition for highly skilled technical and financial personnel, particularly in the San Francisco Bay Area, is extremely intense. Building and maintaining a positive culture and work environment that reinforces the Company's values is also critical to attracting and retaining employees.

We have had a high attrition rate from employees and expect our attrition rate to remain elevated. We may not be able to hire and retain these personnel at compensation levels consistent with our existing compensation and salary structure. Many of the companies with which we compete for experienced employees have greater resources than we have and may be able to offer more attractive terms of employment. Additionally, changes in U.S. immigration policy may make it difficult to renew or obtain visas for certain highly skilled employees that we have hired or are recruiting.

In addition to attracting and retaining highly skilled employees in general, our future performance depends, in part, on our ability to attract and retain key personnel, including our executive officers, senior management team and other key personnel, all of whom would be difficult to replace. The loss of the services of our executive officers or members of our senior management team, and the process to replace any of them, would involve significant time and expense and distraction that may significantly delay or prevent the achievement of our business objectives or impair our operations or results.

If we were required to register as a broker-dealer under federal or state law, our costs could significantly increase or our operations could be impaired.

We issue securities and, in certain instances, offer them directly to investors. We are not registered as a broker-dealer with the SEC nor do we operate as a registered broker-dealer in any jurisdiction. This limits the methods and manners by which we may market and sell our securities. If a regulatory body were to find that our activities require us to register as a broker-dealer or to market and sell our securities only through a registered broker-dealer, we may have to constrain our current business activities and we could be subject to fines, rescission offers or other penalties, and our compliance costs and other costs of operation could increase significantly, all of which could materially adversely affect our business and results of operations.

We have incurred net losses in the past and may incur net losses in the future.

As of December 31, 2019, our accumulated deficit was $548.5 million. Our operating expenses may continue to be elevated as we resolve additional matters that arose from legacy management (including indemnification legal expenses paid by the Company for former employees), settle regulatory investigations and examinations, enhance our compliance systems, reestablish the growth of our business, attract borrowers, investors and partners, and further enhance and develop our products, lending marketplace and platform. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these higher expenses. We may incur additional net losses in the future and may not maintain profitability on a quarterly or annual basis.

We may have to constrain our business activities to avoid being deemed an investment company under the Investment Company Act of 1940.

In general, a company that is or holds itself out as being engaged primarily in the business of investing, reinvesting or trading in securities may be deemed to be an investment company under the Investment Company Act of 1940, as amended (Investment Company Act). The Investment Company Act contains substantive legal requirements that regulate the manner in which "investment companies" are permitted to conduct their business activities. We believe we have conducted, and we intend to continue to conduct, our business in a manner that does not result in our company being characterized as an investment company. To avoid being deemed an investment company, we may decide not to broaden our offerings, which could require us to forego attractive opportunities. We may also apply for formal exemptive relief to provide additional clarity on our status under the Investment Company Act. We may not receive such relief on a timely basis, if at all, and such relief may require us to modify or curtail our operations. If we are deemed to be an investment company under the Investment Company Act, we may be required to institute additional compliance requirements and our activities may be restricted, which could materially adversely affect our business, financial condition and results of operations.

Our business operations may be adversely impacted by political events, terrorism, public health issues, natural disasters, labor disputes and other business interruptions.

Our business operations are subject to interruption by, among other things, political events, terrorism, public health issues, natural disasters, labor disputes and other events which could decrease demand for our products and services or make it difficult or impossible for us to deliver a satisfactory experience to our borrowers and investors, any of which may have a material adverse impact on our business, financial condition and results of operations. For example, a federal government shutdown could impair our ability to support our structured program initiatives and/or resolve outstanding litigation or regulatory inquiries with the federal government.

Furthermore, in the event of any disruption to our operations or those of the companies with whom we do business with, we could incur significant losses, require substantial recovery time and experience significant expenditures in order to resume or maintain operations, any of which could have a material adverse impact on our business, financial condition and results of operations.

Misconduct and errors by our employees and third-party service providers could harm our business and reputation.

We are exposed to many types of operational risk, including the risk of misconduct and errors by our employees and other third-party service providers. Our business depends on our employees and third-party service providers to facilitate the operation of our business and process a large number of increasingly complex transactions, and if any of our employees or third-party service providers provide unsatisfactory service or take, convert or misuse funds, documents or data or fail to follow protocol when interacting with borrowers and investors, we could lose customers, harm our reputation, be liable for damages, be subject to repurchase obligations and be subject to complaints, regulatory actions and penalties.

While we have internal procedures and oversight functions to protect the Company against this risk, we could also be perceived to have facilitated or participated in the illegal misappropriation of funds, documents or data, or the failure to follow protocol, and therefore be subject to civil or criminal liability.

Any of these occurrences could result in our diminished ability to operate our business, potential liability to borrowers and investors, inability to attract future borrowers and investors, reputational damage, regulatory intervention and financial harm, which could negatively impact our business, financial condition and results of operations.

Some aspects of our platform include open source software, and any failure to comply with the terms of one or more of these open source licenses could negatively affect our business.

Aspects of our platform include software covered by open source licenses, which may include, by way of example, GNU General Public License and the Apache License. Open source license terms are often ambiguous, and there is little or no legal precedent governing the interpretation of many of the terms of certain of these licenses. Therefore, the potential impact of such terms on our business is somewhat unknown. If portions of our proprietary software are determined to be subject to an open source license, we could be required to publicly release the affected portions of our source code, re-engineer all or a portion of our technologies or otherwise be limited in the licensing of our technologies, each of which could reduce or eliminate the value of our technologies and products. There can be no assurance that efforts we take to monitor the use of open source software to avoid uses in a manner that would require us to disclose or grant licenses under our proprietary source code will be successful, and such use could inadvertently occur. This could harm our intellectual property position and have a material adverse effect on our business, results of operations, cash flow, and financial condition. In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of the software. Many of the risks associated with use of open source software cannot be eliminated, and could adversely affect our business.

Our platform and internal systems rely on software that is highly technical, and if it contains undetected errors, our business could be adversely affected.

Our platform and internal systems rely on software that is highly technical and complex. In addition, our platform and internal systems depend on the ability of such software to store, retrieve, process and manage immense amounts of data. The software on which we rely has contained, and may now or in the future contain, undetected errors or bugs. Some errors may only be discovered after the code has been released for external or internal use. Errors or other design defects within the software on which we rely may result in a negative experience for borrowers and investors, delay introductions of new features or enhancements, result in errors or compromise our ability to protect borrower or investor data or our intellectual property. Any errors, bugs or defects discovered in the software on which we rely could result in harm to our reputation, loss of borrowers or investors, loss of revenue or liability for damages, any of which could adversely affect our business and financial results.

If one or more of our counterparty financial institutions default on their financial or performance obligations to us or fail, we may incur significant losses.

We have significant amounts of cash and cash equivalents in accounts with banks or other financial institutions. Certain banks and financial institutions are also lenders under our credit facilities. We regularly monitor our exposure to counterparty credit risk, and actively manage this exposure to mitigate the associated risk. Despite these efforts, we may be exposed to the risk of default by, or deteriorating operating results or financial condition or failure of, these counterparty financial institutions. The risk of counterparty default, deterioration, or failure may be heightened during economic downturns and periods of uncertainty in the financial markets. If one of our counterparties were to become insolvent or file for bankruptcy, our ability to recover losses incurred as a result of default or to access or recover assets that are deposited, held in accounts with, or otherwise due from, such counterparty may be limited by the counterparty's liquidity or the applicable laws governing the insolvency or bankruptcy proceedings. In the event of default or failure of one or more of our counterparties, we may be unable to operate our business in the ordinary course, which would materially adversely impact our results of operations and financial condition.

Investors in CLUB Certificates offered by the Company may be deemed to have been solicited by general solicitation or general advertising, and such investors could seek to rescind their purchase.

We offer member payment dependent notes publicly pursuant to the Note Registration Statement. In addition, the Company sells CLUB Certificates. Sales of CLUB Certificates are made through private transactions with investors and are separate from the public offering of the member payment dependent notes. Because of the fact-specific

nature of what types of activities might constitute a general solicitation or general advertising, it is possible that some of the CLUB Certificate investors could assert that they became interested in an investment in CLUB Certificates through a general solicitation or general advertising with regard to CLUB Certificates or through the public offering of member payment dependent notes. If it was determined that an investor's interest in the CLUB Certificates was the result of a general solicitation or general advertisement, the investor could claim that the sale of CLUB Certificates violated Section 5 of the Securities Act and could seek to rescind their purchase or seek other remedies, subject to any applicable statute of limitations. We would contest vigorously any claim that a violation of the Securities Act occurred, however, litigation is inherently uncertain and can be expensive and time consuming.

We have not reviewed our compliance with foreign laws regarding the participation of non-U.S. residents on our lending marketplace.

From time to time, non-U.S. residents invest in loans directly through our lending marketplace. We are not experts with respect to all applicable laws in the various foreign jurisdictions from which an investor may be located, and we cannot be sure that we are complying with applicable foreign laws. Failure to comply with such laws could result in fines and penalties payable by us, which could reduce our profitability or cause us to modify or delay planned expansions and expenditures, including investments in our growth. In addition, any such fines and penalties could create negative publicity, result in additional regulatory oversight that could limit our operations and ability to succeed, or otherwise hinder our plans to expand our business internationally.

Our credit facilities provide our lenders with first-priority liens against substantially all of our assets and contain certain affirmative and negative covenants and other restrictions on our actions, and could therefore limit our operational flexibility or otherwise adversely affect our financial condition.

We have certain credit facilities that contain restrictive covenants relating to our capital raising activities and other financial and operational matters. These restrictive covenants may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions or other strategic transactions. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be impaired, and our business may be harmed.

If we fail to perform under the loan agreements for these credit facilities by, for example, failing to make timely payments or failing to comply with the required total leverage ratio, our operations and financial condition could be adversely affected. For more information regarding the covenants and requirements, see "*Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 14. Debt*" included in this Report.

RISKS RELATED TO OWNERSHIP OF OUR COMMON STOCK

Our stock price has been and will likely continue to be volatile.

Our stock price has declined significantly since the end of the first quarter of 2016 and has exhibited substantial volatility. Our stock price may continue to fluctuate in response to a number of events and factors, such as quarterly operating results; changes in our financial projections provided to the public or our failure to meet those projections; changes in the credit performance on our platform; the public's reaction to our press releases, other public announcements and filings with the SEC; progress and resolution with respect to existing litigation and regulatory inquiries; significant transactions, or new features, products or services by us or our competitors; changes in financial estimates and recommendations by securities analysts; media coverage of our business and financial performance; the operating and stock price performance of, or other developments involving, other companies that investors may deem comparable to us; trends in our industry; any significant change in our management; and general economic conditions.

In addition, the stock market in general, and the market prices for companies in our industry, have experienced volatility. These broad market and industry fluctuations may adversely affect the price of our stock, regardless of our operating performance. Price volatility over a given period may cause the average price at which we repurchase our own stock to exceed the stock's price at a given point in time. Volatility in our stock price also impacts the value of our equity compensation, which affects our ability to recruit and retain employees. In addition, some companies that have experienced volatility in the market price of their stock, including us, have been subject to securities class action litigation. We have been the target of this type of litigation and may continue to be a target in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could harm our business.

If we fail to meet expectations related to future growth, profitability, or other market expectations, our stock price may decline significantly, which could have a material adverse impact on investor confidence and employee retention.

We are subject to ownership concentration by certain significant stockholders.

Ownership of our common stock is concentrated among certain stockholders. For example, per filings with the SEC, Shanda beneficially owns shares of our common stock representing approximately 22% of LendingClub Corporation's voting power as of December 31, 2019.

Although we recently entered into an agreement whereby Shanda will exchange, subject to certain closing conditions, all shares of our common stock held by them for newly issued non-voting convertible preferred stock to enable the Company to pursue its bank charter initiative, any current or future stockholder or group of stockholders with a significant voting and/or economic concentration individually or in aggregate could determine to vote shares or otherwise exercise influence in a manner that may be contrary to the interests of the Company and/or other minority stockholders. For example, such stockholder(s) could sell shares in a manner that could affect our stock price or impede the Company from executing on an initiative for the benefit of all stockholders. In addition, the concentration of ownership may act as a deterrent to other potential investors purchasing our stock.

Future issuances and/or sales of common stock may result in significant dilution to our stockholders and may place downward pressure on our stock price.

We recently entered into an agreement whereby Shanda will exchange, subject to certain closing conditions, all shares of our common stock held by them for newly issued non-voting convertible preferred stock to enable the Company to pursue its bank charter initiative. In connection with the exchange, the Company will provide Shanda registration rights and a one-time cash payment. Under a registration rights agreement Shanda is entitled to certain registration rights with respect to Company securities held by it, which may facilitate their ability to sell their holdings. The market price of our common stock could decline as a result of sales by our existing stockholders in the market, or the perception that these sales could occur.

Further, we may issue additional equity securities to raise capital, support acquisitions, or for a variety of other purposes. We also utilize equity-based compensation as an important tool in recruiting and retaining employees and other service providers. Additional issuances of our stock may be made pursuant to the exercise or vesting of new or existing stock options or restricted stock units, respectively. Dilution to existing holders of our common stock from equity-based compensation and other additional issuances could be substantial and may place downward pressure on our stock price.

Our quarterly results may fluctuate significantly and may not fully reflect the longer term underlying performance of our business.

Our operating and financial results have varied on a quarterly basis during our operating history and may continue to fluctuate significantly. These fluctuations may be due to a variety of factors, some of which are outside of our control and may not fully reflect the underlying performance of our business. Factors that may cause fluctuations in

our quarterly financial results include our ability to attract and retain new customers, seasonality in our business, the costs associated with and outcomes of legal and regulatory matters, volatility related to fraud and credit performance, the timing of capital markets transactions, variability in the valuation of loans held on our balance sheet, changes in business or macroeconomic conditions and variety of other factors, including as a result of the risks set forth in this "Risk Factors" section. Fluctuation in quarterly results and how we perform relative to guidance may adversely affect the price of our common stock.

If we were to become subject to a bankruptcy or similar proceeding, the right of payment of investors in our member payment dependent notes may be senior to the right of payment of our stockholders and there may not be value recoverable by our stockholders.

Under the terms of the member payment dependent notes offered through our lending marketplace, we are obligated to pay principal and interest on each member payment dependent note on a non-recourse basis only if and to the extent that we receive principal, interest or late fee payments from the borrower on the corresponding loan, but the member payment dependent notes become fully recourse to us if we fail to pay such obligation, which would include being prohibited from making such payments as a result of a bankruptcy or similar proceeding, or if we breach a covenant under the indenture governing the member payment dependent notes. In a bankruptcy or similar proceeding due to a default under current or future indebtedness, an action for repurchase or rescission of securities or other event, there is uncertainty regarding whether a holder of a member payment dependent note has any right of payment from our assets other than the corresponding loan. It is possible that a member payment dependent note holder could be deemed to have a right of payment from both the corresponding loan and from some or all of our other assets, in which case the member payment dependent note holder would have a claim to the proceeds of our assets that is senior to any right of payment of the holders of our common stock, regardless of whether we have received any payments from the underlying borrower, making it highly unlikely that there would be any value recoverable by our stockholders.

We recently entered into an agreement whereby Shanda will exchange, subject to certain closing conditions, all shares of our common stock held by them for newly issued non-voting convertible preferred stock to enable the Company to pursue its bank charter initiative. In connection with the exchange, the Company will provide Shanda registration rights and a one-time cash payment. Under a registration rights agreement Shanda is entitled to certain registration rights with respect Company securities held by it, which may facilitate their ability to sell their holdings. Additional shares of our common stock trading in the public market, as a result of the exercise of such registration rights, may have an adverse effect on the market price of our securities.

Anti-takeover provisions in our charter documents and Delaware law may delay or prevent an acquisition of our company.

Our restated Certificate of Incorporation and restated Bylaws contain provisions that can have the effect of delaying or preventing a change in control of us or changes in our management. The provisions, among other things:

- establish a classified board of directors so that not all members of our board of directors are elected at one time;
- permit only our board of directors to establish the number of directors and fill vacancies on the board;
- provide that directors may only be removed "for cause" and only with the approval of two-thirds of our stockholders;
- require two-thirds vote to amend some provisions in our restated Certificate of Incorporation and restated Bylaws;
- authorize the issuance of "blank check" preferred stock that our board of directors could use to implement a stockholder rights plan (also known as a "poison pill");
- eliminate the ability of our stockholders to call special meetings of stockholders;
- prohibit stockholder action by written consent, which will require that all stockholder actions must be taken at a stockholder meeting;
- do not provide for cumulative voting; and

- establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings.

In connection with the Company's bank charter initiative, we have adopted a Charter Protection Agreement which is designed to deter ownership positions in the Company's stock in excess of certain thresholds set forth by the Federal Reserve under the Bank Holding Company Act by diluting any stockholder who amasses an ownership position in excess of such thresholds without the Company's approval. To ensure the arrangement is tailored to protect the Company and not unduly infringe on the rights of stockholders, the rights distributed pursuant to the Charter Protection Agreement shall automatically be redeemed upon the earlier of 18 months or the close of the Transaction. Nonetheless, the Charter Protection Agreement may deter certain stockholders from purchasing shares of the Company's common stock, which may suppress demand for the stock and cause the price to decline.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management.

If securities or industry analysts do not publish research or reports about our business, or publish inaccurate or unfavorable research reports about our business, our stock price and trading volume could decline.

Research and reports that securities or industry analysts publish about us or our business may be consumed by equity investors and influence their opinion of our business and/or investment in our common stock. For example, if one or more of the analysts who cover us downgrades our stock, our stock price may decline. Additionally, if one or more of these analysts cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our stock price or trading volume to decline.

We do not intend to pay dividends for the foreseeable future.

We currently intend to retain any future earnings to finance the operation and expansion of our business, and we do not expect to declare or pay any dividends in the foreseeable future. As a result, an investor may only receive a return on their investment in our common stock if the trading price of our common stock increases.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

The information set forth under "*Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 18. Leases*" of this Form 10-K is incorporated herein by reference.

Item 3. Legal Proceedings

The information set forth under "*Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 19. Commitments and Contingencies*" of this Form 10-K is incorporated herein by reference.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information for Common Stock

LendingClub's common stock is listed on the New York Stock Exchange (NYSE) under the ticker symbol "LC."

Holders of Record

As of January 31, 2020, there were 36 holders of record of LendingClub's common stock. Because many of LendingClub's shares of common stock are held by brokers and other institutions on behalf of stockholders, the Company is unable to estimate the total number of stockholders represented by these record holders.

Dividend Policy

LendingClub has not paid cash or other dividends since its inception, and does not anticipate paying cash or other dividends in the foreseeable future.

Sales of Unregistered Securities

None.

Issuer Purchases of Equity Securities

The table below summarizes purchases made by or on behalf of LendingClub of its common stock for each calendar month in the fourth quarter of 2019:

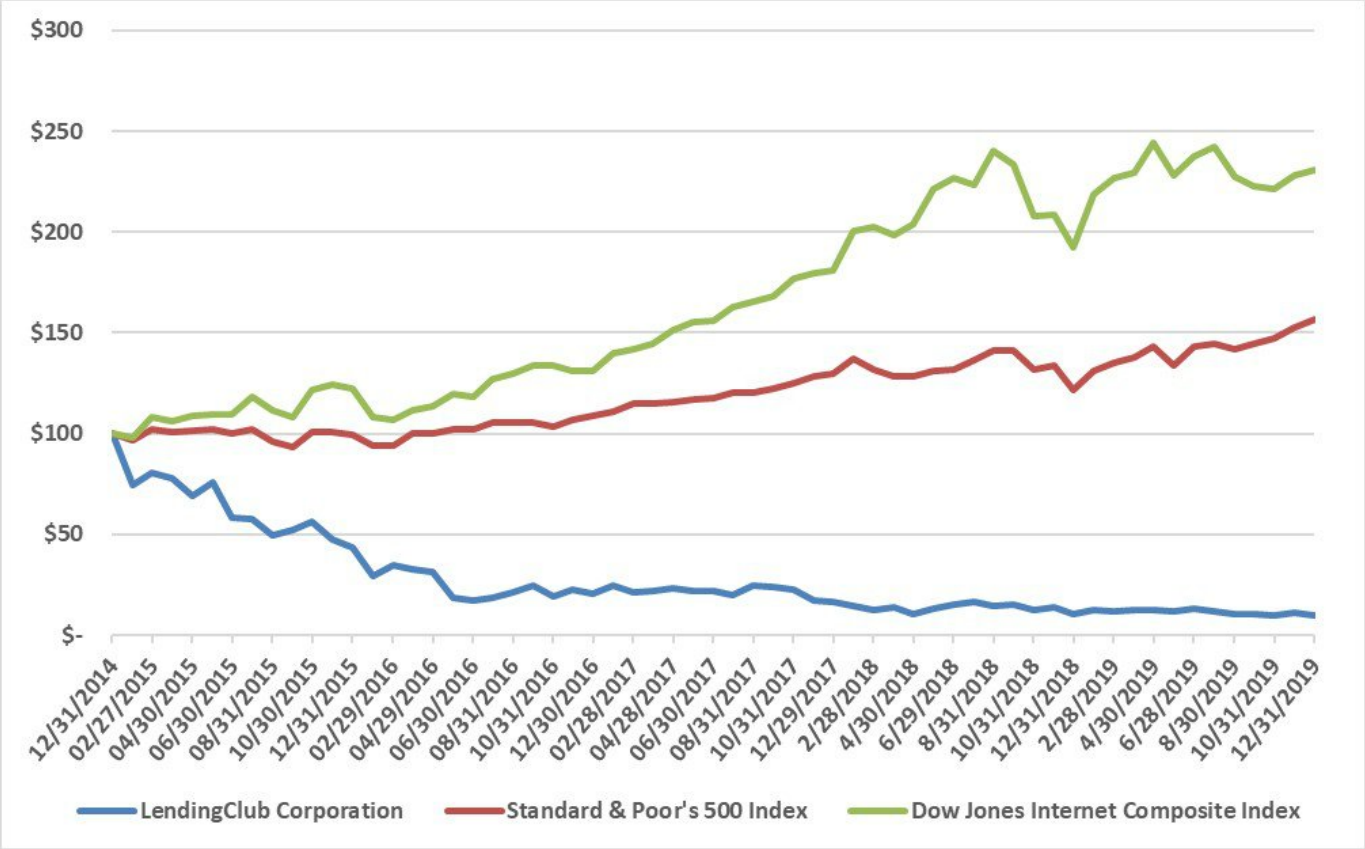
Month	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program
October 1 - October 31	—	$ —	—	$ —
November 1 - November 30	—	$ —	—	$ —
December 1 - December 31[(1)]	957	$ 12.31	—	$ —
Total	957	$ 12.31	—	$ —

(1) Represents shares that were transferred to the Company to satisfy payment of all or a portion of the exercise price in connection with the exercise of stock options, and not as part of a publicly announced plan or program.

Performance Graph

This performance graph shall not be deemed "soliciting material" or to be "filed" with the SEC for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (Exchange Act), or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of LendingClub under the Securities Act of 1933, as amended, or the Exchange Act.

The following graph and table compare the cumulative total return to stockholders of LendingClub's common stock relative to the cumulative total returns of the Standard & Poor's 500 Index and the Dow Jones Internet Composite Index. An investment of $100 (with reinvestment of all dividends, when applicable) is assumed to have been made in LendingClub's common stock and in each index at market close on December 31, 2014 and its relative performance is tracked through December 31, 2019. The returns shown are based on historical results and are not intended to suggest future performance.



	December 31, 2014	December 31, 2015	December 30, 2016	December 29, 2017	December 31, 2018	December 31, 2019
LendingClub Corporation	$ 100	$ 43.68	$ 20.75	$ 16.32	$ 10.40	$ 9.98
Standard & Poor's 500 Index	$ 100	$ 99.27	$ 108.74	$ 129.86	$ 121.76	$ 156.92
Dow Jones Internet Composite Index	$ 100	$ 122.11	$ 130.99	$ 180.87	$ 192.64	$ 230.49

Item 6. Selected Financial Data

The following selected consolidated financial data should be read in conjunction with "*Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the consolidated financial statements included in this Report (in thousands, except share and per share data):

As of and for the Year Ended December 31,	2019	2018	2017	2016	2015
Statement of Operations Data:					
Net revenue:					
Transaction fees	$ 598,760	$ 526,942	$ 448,608	$ 423,494	$ 373,508
Interest income	345,345	487,462	611,259	696,662	552,972
Interest expense	(246,587)	(385,605)	(571,424)	(688,368)	(549,740)
Net fair value adjustments	(144,990)	(100,688)	(30,817)	(2,949)	14
Net interest income and fair value adjustments	(46,232)	1,169	9,018	5,345	3,246
Investor fees	124,532	114,883	87,108	79,647	43,787
Gain (Loss) on sales of loans	67,716	45,979	23,370	(17,152)	4,885
Net investor revenue	146,016	162,031	119,496	67,840	51,918
Other revenue	13,831	5,839	6,436	9,478	4,517
Total net revenue	758,607	694,812	574,540	500,812	429,943
Operating expenses:					
Sales and marketing	279,423	268,517	229,865	216,670	171,526
Origination and servicing	103,403	99,376	86,891	74,760	61,335
Engineering and product development	168,380	155,255	142,264	115,357	77,062
Other general and administrative	238,292	228,641	191,683	207,172	122,182
Goodwill impairment	—	35,633	—	37,050	—
Class action and regulatory litigation expense	—	35,500	77,250	—	—
Total operating expenses	789,498	822,922	727,953	651,009	432,105
Loss before income tax expense	(30,891)	(128,110)	(153,413)	(150,197)	(2,162)
Income tax expense (benefit)	(201)	43	632	(4,228)	2,833
Consolidated net loss	(30,690)	(128,153)	(154,045)	(145,969)	(4,995)
Less: Income (Loss) attributable to noncontrolling interests	55	155	(210)	—	—
LendingClub net loss	$ (30,745)	$ (128,308)	$ (153,835)	$ (145,969)	$ (4,995)
Net loss per share attributable to LendingClub:					
Basic	$ (0.35)	$ (1.52)	$ (1.88)	$ (1.88)	$ (0.07)
Diluted	$ (0.35)	$ (1.52)	$ (1.88)	$ (1.88)	$ (0.07)
Weighted-average common shares – Basic	87,278,596	84,583,461	81,799,189	77,552,414	74,974,423
Weighted-average common shares – Diluted	87,278,596	84,583,461	81,799,189	77,552,414	74,974,423

As of and for the Year Ended December 31,	2019	2018	2017	2016	2015
Consolidated Balance Sheet Data:					
Cash and cash equivalents	$ 243,779	$ 372,974	$ 401,719	$ 515,602	$ 623,531
Securities available for sale	270,927	170,469	117,573	287,137	297,211
Loans held for investment at fair value	1,079,315	1,883,251	2,932,325	4,295,121	4,552,623
Loans held for investment by the Company at fair value	43,693	2,583	361,230	16,863	3,458
Loans held for sale by the Company at fair value	722,355	840,021	235,825	9,048	—
Total assets	2,982,341	3,819,527	4,640,831	5,562,631	5,793,634
Notes, certificates and secured borrowings at fair value	1,081,466	1,905,875	2,954,768	4,320,895	4,571,583
Payable to securitization note and certificate holders	40,610	256,354	312,123	—	—
Credit facilities and securities sold under repurchase agreements	587,453	458,802	32,100	—	—
Total liabilities	2,082,154	2,948,546	3,713,074	4,586,861	4,751,774
Total LendingClub stockholders' equity	$ 900,187	$ 869,201	$ 927,757	$ 975,770	$ 1,041,860

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the consolidated financial statements and related notes that appear in this Annual Report on Form 10-K (Report). In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and in this Report, particularly in "Part I – Item 1A. Risk Factors."

Overview

LendingClub was incorporated in Delaware on October 2, 2006, and is currently the largest provider of unsecured personal loans in the US. We operate America's largest online lending marketplace platform that connects borrowers and investors. LendingClub provides tools that help Americans save money on their path to financial health through lower borrowing costs and a seamless, technology-driven user experience. Investors provide capital to enable the funding of loans in exchange for earning competitive risk adjusted returns. Our marketplace enables efficient credit decisioning, pricing, servicing and support operations. We operate fully online with no traditional branch infrastructure. Our vision is to expand our marketplace model and support it with a bank charter, which we believe will be both strategically and financially accretive to the Company.

We generate revenue primarily from transaction fees from our lending marketplace's role in marketing to customers, accepting and decisioning applications for our bank partners to enable loan originations, investor fees that include servicing fees from investors for various services, including servicing and collection efforts, gains on sales of loans sold, net interest income and fair value adjustments from loans invested in by the Company and held on our balance sheet.

The transaction fees we receive from our issuing bank partner in connection with our lending marketplace's role in facilitating loan originations for unsecured personal loans and auto refinance loans range from 0% to 6% of the initial principal amount of the loan. In addition, for education and patient finance loans, we collect fees from issuing banks and from the related education and patient service providers.

Net interest income and fair value adjustments reflect earned interest income and assumed principal and interest rate risk on loans during the period that we own the loans. When we use our own capital to invest in loans, we earn interest income and record fair value adjustments attributable to changes in actual and expected credit and prepayment performance, or any difference between sale price and carrying value.

Investor fees paid to us vary based on investment channel and compensate us for the costs we incur in servicing loans, including managing payments from borrowers, collections, payments to investors, maintaining investors' account portfolios, providing information and issuing monthly statements. Investor fees may also vary based on the delinquency status of the loan. Whole loan purchasers pay a monthly weighted-average fee of 0.9% per annum and Structured Program investors pay a monthly fee of up to 1%, which is generally based on the month-end principal balance of loans serviced by us.

Gain (Loss) on sales of loans connected to loan sale transactions are recognized based on the level to which the contractual loan servicing fee is above or below an estimated market rate loan servicing fee. Additionally, we recognize transactions costs as a loss on sale of loans.

Personal loan volume on our platform is generally lower in the first quarter of the year, primarily due to seasonality of borrower behavior. Additionally, in the fourth quarter of the year, we typically observe fluctuations in marketing

effectiveness and borrower behavior due to the holidays, which can impact volume. These seasonal trends contribute to fluctuations in our operating results and operating cash flow.

Loans facilitated through our lending marketplace are funded by the sale of whole loans to banks and other institutional investors, the sale of whole loans facilitated through Structured Programs, the issuance of notes to our self-directed retail investors, or funded directly by the Company with its own capital. We use our capital to fund the purchase of loans for our Structured Program transactions, to support marketplace equilibrium when a matching third-party investor is not available at time of origination, to reflect changes in market value through loan pricing, to test new product offerings, and to make accommodations to customers. The Company's Structured Program transactions include i) asset-backed securitization transactions and ii) Certificate Program transactions. Certificate Program transactions include CLUB Certificate and Levered Certificate transactions.

In connection with asset-backed securitizations, the Company is the sponsor and establishes trusts to ultimately purchase the loans from the Company and/or third-party whole loan investors. Securities issued from our asset-backed securitizations are senior or subordinated based on the waterfall criteria of loan payments to each security class. The subordinated residual interests issued from these transactions are first to absorb credit losses in accordance with the waterfall criteria. The loans are transferred into a trust such that the loans are legally isolated from the creditors of the Company and are not available to satisfy obligations of the Company. These loans can only be used to settle obligations of the underlying trusts. As the sponsor for securitization transactions, the Company manages the completion of the transaction.

In addition, the Company sponsors the sale of loans through the issuance of certificate securities under our Certificate Program. The Certificate securities are collateralized by loans transferred to a series of a master trust and trade in the over-the-counter market with a CUSIP. We believe the sale of certificates results in more liquidity and demand for our unsecured personal loans. The loans are transferred into a trust such that the loans are legally isolated from the creditors of the Company and are not available to satisfy the obligations of the Company. These loans can only be used to settle obligations of the underlying Certificate Program trusts. The CLUB Certificate issued securities are pass-through securities of which each owner has an undivided and equal interest in the underlying loans of each transaction. The Levered Certificate issued securities includes senior and subordinated securities based on the waterfall criteria of loan payments to each security class. The subordinated securities issued from these transactions are first to absorb credit losses in accordance with the waterfall criteria.

Current Economic and Business Environment

Our online lending marketplace platform seeks to adapt to changing marketplace conditions and investors' return on investment expectations. LendingClub monitors a variety of economic, credit and competitive indicators to propose changes to issuing banks' credit policies and interest rates.

In the fourth quarter of 2019, our marketplace facilitated $3.1 billion of loan originations, of which $1.2 billion was issued through whole loan sales, $1.7 billion was purchased or pending purchase by the Company and $0.1 billion was issued through member payment dependent notes. Loans held by the Company at quarter end are available loan inventory for future Structured Program transactions and whole loan sales, excluding loans held by the Company as a result of consolidated trusts.

The following table shows the loan origination volume issued, loans purchased or pending purchase by the Company, and the available loan inventory as of the end of each period set forth below (in millions):

	December 31, 2019	September 30, 2019	June 30, 2019
Loan originations	$ 3,083.1	$ 3,349.6	$ 3,129.5
Loans purchased or pending purchase by the Company during the quarter	$ 1,749.2	$ 1,543.5	$ 1,182.4
LendingClub inventory [(1)]	$ 718.2	$ 755.2	$ 419.1
LendingClub inventory as a percentage of loan originations [(1)]	23%	23%	13%

(1) LendingClub inventory reflects loans purchased or pending purchase by the Company during the period, excluding loans held by the Company through consolidated trusts, if applicable, and not yet sold as of the period end.

Loan inventory purchased by LendingClub was 23% of total loan originations during the fourth quarter of 2019. This increase since the second quarter of 2019 was due to higher volumes and mix of lower risk grade A and B loans facilitated on our marketplace, the volume of loans purchased by LendingClub for Structured Program transactions, and the timing of loan sales compared to prior periods.

As market interest rates fluctuate, our investors' cost of funding and expectations regarding return on investment changes. We have continued to take actions to reduce exposure to certain borrower segments that have had insufficient risk-adjusted returns, especially in lower loan grades and certain FICO bands where losses have historically been more volatile. We have seen a volume and mix increase of grade A and B loans in our standard loan program. As prevailing interest rates and market conditions change, we will continue to adjust interest rates and credit criteria on the platform accordingly. Separately, we periodically adjust products available on our marketplace to reflect investor demand.

Because of timing differences between changes in market interest rates, interest rates on loans, credit performance and investor yield expectations, there may be a difference between the actual yield and the investor required yield on a loan. In these circumstances we continue to use our own capital to purchase loans from our issuing banks. This allows us to adjust the effective yield on a loan through its sale price, thereby maintaining marketplace equilibrium. Any discount to par will result in negative fair value adjustments.

In 2019, we reviewed our cost structure and have a number of expense initiatives underway with the goal of increasing our operating efficiency. As a result of our review, we signed a lease to establish a site in a more cost-effective location in the Salt Lake City area. We started to hire full-time employees in the first quarter of 2019 in the Salt Lake City area and we have increased the use of third-party business process outsource providers. We completed the relocation of our origination and servicing operations from San Francisco, California to the Salt Lake City area by the end of 2019. In conjunction with this initiative, we have sublet some of our office space in San Francisco, California, and may sublet incremental office space in the future. Although historically we have internally developed our loan platform technology solutions, in an effort to reduce costs and improve the optimization of our engineering resources for higher value-add software development, we are increasing our usage of third-party technology for certain services. While we expect the implementation of these expense initiatives to increase expenses in the short-term, they are expected to result in overall increased operating efficiency for the Company.

On February 18, 2020, the Company and Radius Bancorp, Inc. (Radius) entered into an Agreement and Plan of Merger, by and among the Company, a wholly owned-subsidiary of the Company, and Radius, pursuant to which the Company will acquire Radius and thereby acquire its wholly-owned subsidiary, Radius Bank (the Merger), in a cash and stock transaction valued at $185 million (of which $138.75 million is in cash and $46.25 million is in

stock), plus certain purchase price and expense adjustments of up to $22 million. The closing of the Merger is subject to regulatory approval and other customary closing conditions, which the Company anticipates can be completed within 15 months, as well as customary transaction costs. The Company believes that acquiring Radius and operating with a national bank charter will enhance LendingClub's ability to serve its members, grow its market opportunity, increase and diversify revenue and earnings, and provide both funding resilience and regulatory clarity. With the talent, infrastructure and capabilities Radius possesses, the Company intends to enhance customer engagement by offering a broader range of member products and services aimed at supporting members and improving their financial health. The Merger will be accounted for as a business combination. The purchase price will be allocated to the assets acquired and liabilities assumed based on their fair values at the acquisition date.

In order to facilitate compliance with federal banking regulations by the Company's largest stockholder, Shanda Asset Management Holdings Limited and its affiliates (Shanda), on February 18, 2020, the Company entered into a Share Exchange Agreement pursuant to which Shanda will exchange, subject to certain closing conditions, all shares of the Company's common stock held by Shanda for newly issued non-voting convertible preferred stock, series A (the Exchange). In connection with the Exchange, the Company will provide Shanda registration rights and a one-time cash payment of approximately $50 million. To deter future ownership positions in the Company's securities in excess of thresholds set forth by the Federal Reserve under the Bank Holding Company Act, the Company adopted a Temporary Bank Charter Protection Agreement (the Charter Protection Agreement) which provides for the dilution of any person or group of persons that acquires: (i) 25% or more equity interest in the Company, or (ii) 7.5% or more of any class of the Company's voting securities, which threshold shall automatically increase to 10% in connection with the closing of the Exchange. The Charter Protection Agreement is effective as of February 18, 2020, and will automatically expire on the earlier of the closing of the Merger or 18 months.

Factors That Can Affect Revenue

As an operator of a lending marketplace, we work to match the supply of loans facilitated through our platform and demand from investors while also growing the overall volume of originations and correspondingly revenue at a pace commensurate with proper planning, compliance, risk management, user experience, and operational controls that work to optimize the quality of the customer experience, customer satisfaction and long-term growth. In addition, we have been increasingly utilizing our balance sheet to support Structured Program transactions, manage marketplace equilibrium, hold loans for testing new or existing loan products and repurchase loans that did not meet an investor's criteria. In most instances, we subsequently sell those loans, recognizing a gain or loss on their sale.

Loan supply, which is partly driven by borrower-related activities within our business, combined with investor demand to purchase loans on our platform as well as our own loan purchases, can affect our revenue in any particular period. These drivers collectively affect transaction fees, investor fees earned by us related to these transactions, interest income, fair value adjustments and other revenue related to loans held on balance sheet, including the performance of such loans. As these drivers can be affected by a variety of factors, both in and out of our control, revenues may fluctuate from period to period. Factors that can affect these drivers and ultimately revenue and its timing include:

- investor demand for our loans;
- loan performance and return on investment;
- market confidence in our data, controls, and processes;
- announcements and terms of resolution of governmental inquiries or private litigation;
- our ability to obtain or add bank functionality and a bank charter;
- the impact on the business from obtaining or adding bank functionality and a bank charter;
- the mix of borrower products and corresponding transaction fees;
- regulatory or market factors which limit products on our platform or loan interest rates borrowers can pay;
- availability or the timing of the deployment of investment capital by investors;

- the availability and amount of new capital from pooled investment vehicles and managed accounts that typically deploy their capital at the start of a period;
- the amount of purchase limitations we can impose on larger investors as a way to maintain investor balance and fairness;
- the attractiveness of alternative opportunities for borrowers or investors, through changes in interest rates, transaction fees, terms, or risk profile;
- the responsiveness of applicants to our marketing efforts;
- expenditures on marketing initiatives in a period;
- the sufficiency of operational staff to process any manual portion of the loan applications in a timely manner;
- the responsiveness of borrowers to satisfy additional income or employment verification requirements related to their application;
- borrower withdrawal rates;
- the percentage distribution of loans between the whole and fractional loan platforms;
- platform system performance;
- seasonality in demand for our platform and services, which is generally lowest in the first quarter and also impacts the fourth quarter;
- determination to hold loans for purposes of subsequently distributing the loans through sale or Structured Program transactions;
- changes in the credit performance of loans or market interest rates;
- the success of our models to predict borrower risk levels and related investor demand; and
- other factors.

At any point in time we have loan applications in various stages from initial application through issuance. Depending upon the timing and impact of the factors described above, loans may not be issued by the issuing banks who originate loans facilitated through our marketplace in the same period in which the corresponding application was originally made, resulting in a portion of that subsequent period's revenue being earned from loan applications that were initiated in the immediately prior period. Consistent with our revenue recognition accounting policy under GAAP, we do not recognize the transaction fee revenue associated with a loan until the loan is issued by the issuing bank and the proceeds are delivered to the borrower. Our transaction fees are generally paid by the issuing bank (which collects an origination fee from the borrower), or in the case of education and patient finance loans, may also be paid by the medical or education service provider, and are accordingly independent of who is investing in a loan or how a loan is invested in.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Key Operating and Financial Metrics

We regularly review several metrics to evaluate our business, measure our performance, identify trends, formulate financial projections and make strategic decisions. The following presents our key operating and financial metrics:

Year Ended December 31,	2019	2018	2017
Loan originations	$ 12,290,093	$ 10,881,815	$ 8,987,218
Sales and marketing expense as a percent of loan originations	2.27%	2.47%	2.56%
Net revenue	$ 758,607	$ 694,812	$ 574,540
Consolidated net loss	$ (30,690)	$ (128,153)	$ (154,045)
EPS – diluted [(1)]	$ (0.35)	$ (1.52)	$ (1.88)
Contribution [(2)]	$ 392,294	$ 339,328	$ 270,452
Contribution margin [(2)]	51.7%	48.8%	47.1%
Adjusted EBITDA [(2)]	$ 134,772	$ 97,519	$ 44,587
Adjusted EBITDA margin [(2)]	17.8%	14.0%	7.8%
Adjusted net income (loss) [(2)]	$ 2,182	$ (32,375)	$ (73,236)
Adjusted EPS – diluted [(1)(2)]	$ 0.02	$ (0.38)	$ (0.90)

(1) All share and per share information has been retroactively adjusted to reflect a reverse stock split. See "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 4. Net Loss Per Share*" for additional information.

(2) Represents non-GAAP financial measures. For more information regarding these measures and a reconciliation of these measures to the most comparable GAAP measures, see "*Non-GAAP Financial Measures*" below.

Loan Originations

We believe the volume of loans facilitated through our platform and originated by our issuing banks is a key indicator of the attractiveness of our lending marketplace, growth of our brand, scale of our business, economic competitiveness of our products and future growth.

We classify the loans facilitated by our platform into three major loan products: standard program personal loans, custom program personal loans and other loans. The majority of the loans facilitated through our platform are standard program personal loans that represent loans made to prime borrowers that are available to institutional investors, private investors and public investors (in the form of member payment dependent notes). Custom program personal loans include all other personal loans to borrowers who are not eligible for our standard program, including loans primarily made to near-prime and super-prime borrowers, and are available only to private investors. Other loans are comprised of education and patient finance loans, auto refinance loans, and small business loans. In the second quarter of 2019, the Company announced that it will connect applicants looking for a small business loan with strategic partners and earn referral fees, instead of facilitating these loans on its platform. As a result, beginning in the third quarter of 2019 the "Other loans" category presented in the table below no longer includes small business loans.

Loan origination volume and weighted-average transaction fees (as a percent of origination balance) by major loan products are as follows:

Year Ended December 31,	2019		2018		2017	
(in millions, except percentages)	Origination Volume	Weighted-Average Transaction Fees	Origination Volume	Weighted-Average Transaction Fees	Origination Volume	Weighted-Average Transaction Fees
Personal loans – standard program	$ 8,533.4	5.03%	$ 7,936.3	4.87%	$ 6,585.0	4.93%
Personal loans – custom program	2,972.6	4.80	2,096.3	4.98	1,546.1	5.57
Total personal loans	11,506.0	4.97	10,032.6	4.89	8,131.1	5.05
Other loans	784.1	3.44	849.2	4.29	856.1	4.42
Total	$ 12,290.1	4.87%	$ 10,881.8	4.84%	$ 8,987.2	4.99%

The increase in the total weighted-average transaction fee in 2019 compared to 2018 was primarily driven by higher average transaction fees at certain grade levels within the standard program.

Personal loan origination volume for our standard loan program by loan grade was as follows (in millions):

Year Ended December 31,	2019		2018		2017	
Personal loan originations by loan grade – standard loan program:	Amount	% of Total	Amount	% of Total	Amount	% of Total
A	$ 2,725.4	32 %	$ 2,132.5	27%	$ 1,096.9	17%
B	2,608.3	31 %	2,289.6	29%	1,839.7	28%
C	1,964.6	23 %	2,052.2	26%	2,224.9	34%
D	1,184.9	14 %	1,098.3	14%	891.9	13%
E	50.0	— %	290.1	3%	340.7	5%
F	0.2	— %	60.4	1%	118.6	2%
G	—	— %	13.2	N/M	72.3	1%
Total	$ 8,533.4	100 %	$ 7,936.3	100%	$ 6,585.0	100%

N/M – Not meaningful

Credit and pricing policy changes made by the Company during 2019 resulted in a change in the mix of personal loan origination volume from higher risk grades E through G to lower risk A through D grades. These changes broadly focused on tightening credit to shift overall platform mix towards lower risk and higher credit quality borrowers.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Results of Operations

This section of this Form 10-K generally discusses 2019 and 2018 items and year-to-year comparisons between 2019 and 2018. For discussion related to 2017 items and year-over-year comparisons between 2018 and 2017, see "*Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations*" in the Annual Report on Form 10-K for the year ended December 31, 2018.

The following table sets forth the Consolidated Statements of Operations data for each of the periods presented:

Year Ended December 31,	2019	2018	2017
Net revenue:			
Transaction fees	$ 598,760	$ 526,942	$ 448,608
Interest income	345,345	487,462	611,259
Interest expense	(246,587)	(385,605)	(571,424)
Net fair value adjustments	(144,990)	(100,688)	(30,817)
Net interest income and fair value adjustments	(46,232)	1,169	9,018
Investor fees	124,532	114,883	87,108
Gain on sales of loans	67,716	45,979	23,370
Net investor revenue [1]	146,016	162,031	119,496
Other revenue	13,831	5,839	6,436
Total net revenue	758,607	694,812	574,540
Operating expenses: [2]			
Sales and marketing	279,423	268,517	229,865
Origination and servicing	103,403	99,376	86,891
Engineering and product development	168,380	155,255	142,264
Other general and administrative	238,292	228,641	191,683
Goodwill impairment	—	35,633	—
Class action and regulatory litigation expense	—	35,500	77,250
Total operating expenses	789,498	822,922	727,953
Loss before income tax expense	(30,891)	(128,110)	(153,413)
Income tax expense (benefit)	(201)	43	632
Consolidated net loss	(30,690)	(128,153)	(154,045)
Less: Income (Loss) attributable to noncontrolling interests	55	155	(210)
LendingClub net loss	$ (30,745)	$ (128,308)	$ (153,835)

(1) See "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 1. Basis of Presentation*" for additional information.

(2) Includes stock-based compensation expense as follows:

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Year Ended December 31,	2019	2018	2017
Sales and marketing	$ 6,095	$ 7,362	$ 7,654
Origination and servicing	3,155	4,322	4,804
Engineering and product development	19,860	20,478	22,047
Other general and administrative	44,529	42,925	36,478
Total stock-based compensation expense	$ 73,639	$ 75,087	$ 70,983

Total Net Revenue

Year Ended December 31,	2019	2018	Change ($)	Change (%)
Net revenue:				
Transaction fees	$ 598,760	$ 526,942	$ 71,818	14 %
Interest income	345,345	487,462	(142,117)	(29)%
Interest expense	(246,587)	(385,605)	139,018	(36)%
Net fair value adjustments	(144,990)	(100,688)	(44,302)	44 %
Net interest income and fair value adjustments	(46,232)	1,169	(47,401)	N/M
Investor fees	124,532	114,883	9,649	8 %
Gain on sales of loans	67,716	45,979	21,737	47 %
Net investor revenue	146,016	162,031	(16,015)	(10)%
Other revenue	13,831	5,839	7,992	137 %
Total net revenue	$ 758,607	$ 694,812	$ 63,795	9 %

Year Ended December 31,	2018	2017	Change ($)	Change (%)
Net revenue:				
Transaction fees	$ 526,942	$ 448,608	$ 78,334	17 %
Interest income	487,462	611,259	(123,797)	(20)%
Interest expense	(385,605)	(571,424)	185,819	(33)%
Net fair value adjustments	(100,688)	(30,817)	(69,871)	N/M
Net interest income and fair value adjustments	1,169	9,018	(7,849)	(87)%
Investor fees	114,883	87,108	27,775	32 %
Gain on sales of loans	45,979	23,370	22,609	97 %
Net investor revenue	162,031	119,496	42,535	36 %
Other revenue	5,839	6,436	(597)	(9)%
Total net revenue	$ 694,812	$ 574,540	$ 120,272	21 %

N/M – Not meaningful

Transaction Fees

Transaction fees are fees paid by issuing banks or education and patient service providers to us for the work we perform in facilitating the origination of loans by our issuing bank partners. With respect to all unsecured personal loans and auto refinance loans for which WebBank acts as the issuing bank, we record transaction fee revenue net of program fees paid to WebBank. The fees on these loans are based upon the terms of the loan, including grade, rate, term, channel and other factors. As of December 31, 2019, these fees ranged from 0% to 6% of the initial principal amount of a loan.

Transaction fees were $598.8 million and $526.9 million for the years ended December 31, 2019 and 2018, respectively, an increase of 14%. The increase was primarily due to higher origination volume and a higher weighted-average transaction fee. Loans facilitated through our lending marketplace increased to $12.3 billion for the year ended December 31, 2019 compared to $10.9 billion for the year ended December 31, 2018, an increase of 13%. The average transaction fee as a percentage of the initial principal balance of the loan was 4.87% in 2019 compared to 4.84% in 2018.

In January 2020, we recognized approximately $3.6 million in transaction fee revenue associated with the issuance of loans for which the loan application process had commenced prior to the end of 2019. In January 2019, we recognized approximately $4.2 million in transaction fee revenue associated with the issuance of loans for which the loan application process had commenced prior to the end of 2018. In January 2018, we recognized approximately $5.5 million in transaction fee revenue associated with the issuance of loans for which the loan application process had commenced prior to the end of 2017.

Net Interest Income and Fair Value Adjustments

Loans Invested in by the Company: The Company purchases loans to support Structured Program transactions. We earn interest income and assume principal and interest rate risk on loans during the period we own the loans. We have financed a portion of the purchase of these loans with draws on our credit facilities and the associated interest expense reduces net interest income. Fair value adjustments on loans invested in by the Company are generally negative due to interest cash flow receipts and if there are expected increases and any acceleration in the timing of expected charge-offs and prepayments. As we continue to use our own capital to invest in loans for strategic business purposes, we expect the net negative fair value adjustments on loans to fluctuate due to the impact of discounts offered to meet yield expectations of our loan investors and the holding period of the loans.

Loans, Notes, Certificates and Secured Borrowings: We do not assume principal or interest rate risk on loans facilitated through our lending marketplace that are funded by notes, certificates and certain secured borrowings because loan balances, interest rates and maturities are matched and offset by an equal balance of notes, certificates or secured borrowings with the exact same interest rates and maturities. The changes in fair value of loans, notes, certificates and secured borrowings are shown on our Consolidated Statements of Operations on a net basis. Due to the payment dependent feature of the notes, certificates and secured borrowings, fair value adjustments on loans funded with notes, certificates and secured borrowings result in no net effect on our earnings, except for changes in fair value of any applicable credit support agreements related to secured borrowings.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

The following tables provide additional detail related to net interest income and fair value adjustments for assets invested in by the Company, assets with equal and offsetting liabilities, and total interest income, interest expense and net fair value adjustments:

Year Ended December 31,	2019	2018	Change ($)	Change (%)
Loans invested in by the Company, securities available for sale, cash, cash equivalents and restricted cash, and debt:				
Interest income:				
Loans held for investment and held for sale by the Company at fair value	$ 110,597	$ 113,644	$ (3,047)	(3)%
Securities available for sale	14,351	7,602	6,749	89 %
Cash, cash equivalents and restricted cash	6,002	4,056	1,946	48 %
Total	130,950	125,302	5,648	5 %
Interest expense:				
Credit facilities and securities sold under repurchase agreements	(27,839)	(19,714)	(8,125)	41 %
Securitization notes and certificates	(4,353)	(3,731)	(622)	17 %
Total	(32,192)	(23,445)	(8,747)	37 %
Net interest income	$ 98,758	$ 101,857	$ (3,099)	(3)%
Net fair value adjustments	(144,990)	(100,688)	(44,302)	44 %
Net interest income and fair value adjustments	$ (46,232)	$ 1,169	$ (47,401)	N/M
Loans, notes, certificates and secured borrowings:				
Interest income:				
Loans held for investment at fair value	$ 214,395	$ 362,160	$ (147,765)	(41)%
Interest expense:				
Notes, certificates and secured borrowings	(214,395)	(362,160)	147,765	(41)%
Net interest income	$ —	$ —	$ —	— %
Total net interest income and fair value adjustments:				
Interest income	$ 345,345	$ 487,462	$ (142,117)	(29)%
Interest expense	(246,587)	(385,605)	139,018	(36)%
Net fair value adjustments	(144,990)	(100,688)	(44,302)	44 %
Net interest income and fair value adjustments	$ (46,232)	$ 1,169	$ (47,401)	N/M

N/M – Not meaningful

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Year Ended December 31,	2018	2017	Change ($)	Change (%)
Loans invested in by the Company, securities available for sale, cash, cash equivalents and restricted cash, and debt:				
Interest income:				
Loans held for investment and held for sale by the Company at fair value	$ 113,644	$ 35,692	$ 77,952	N/M
Securities available for sale	7,602	4,093	3,509	86 %
Cash, cash equivalents and restricted cash	4,056	2,625	1,431	55 %
Total	125,302	42,410	82,892	195 %
Interest expense:				
Credit facilities and securities sold under repurchase agreements	(19,714)	(1,900)	(17,814)	N/M
Securitization notes and certificates	(3,731)	(675)	(3,056)	N/M
Total	(23,445)	(2,575)	(20,870)	N/M
Net interest income	$ 101,857	$ 39,835	$ 62,022	156 %
Net fair value adjustments	(100,688)	(30,817)	(69,871)	N/M
Net interest income and fair value adjustments	$ 1,169	$ 9,018	$ (7,849)	(87)%
Loans, notes, certificates and secured borrowings:				
Interest income:				
Loans held for investment at fair value	$ 362,160	$ 568,849	$ (206,689)	(36)%
Interest expense:				
Notes, certificates and secured borrowings	(362,160)	(568,849)	206,689	(36)%
Net interest income	$ —	$ —	$ —	— %
Total net interest income and fair value adjustments:				
Interest income	$ 487,462	$ 611,259	$ (123,797)	(20)%
Interest expense	(385,605)	(571,424)	185,819	(33)%
Net fair value adjustments	(100,688)	(30,817)	(69,871)	N/M
Net interest income and fair value adjustments	$ 1,169	$ 9,018	$ (7,849)	(87)%

N/M – Not meaningful

The following tables provide the outstanding average balances, which are key drivers of interest income and interest expense in the periods presented:

	Outstanding Average Balances			
Year Ended December 31,	**2019**	**2018**	**Change ($)**	**Change (%)**
Loans held for investment by the Company	$ 12,474	$ 140,551	$ (128,077)	(91)%
Loans held for sale by the Company	$ 754,693	$ 546,959	$ 207,734	38 %
Securities available for sale	$ 221,166	$ 144,046	$ 77,120	54 %
Credit facilities and securities sold under repurchase agreements	$ 481,960	$ 299,419	$ 182,541	61 %
Securitization notes and certificates	$ 100,747	$ 131,894	$ (31,147)	(24)%
Loans held for investment	$ 1,574,271	$ 2,557,575	$ (983,304)	(38)%
Notes, certificates and secured borrowings	$ 1,576,877	$ 2,599,676	$ (1,022,799)	(39)%

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

	Outstanding Average Balances			
Year Ended December 31,	**2018**	**2017**	**Change ($)**	**Change (%)**
Loans held for investment by the Company	$ 140,551	$ 44,340	$ 96,211	N/M
Loans held for sale by the Company	$ 546,959	$ 152,805	$ 394,154	N/M
Securities available for sale	$ 144,046	$ 211,740	$ (67,694)	(32)%
Credit facilities and securities sold under repurchase agreements	$ 299,419	$ 32,008	$ 267,411	N/M
Securitization notes and certificates	$ 131,894	$ 24,009	$ 107,885	N/M
Loans held for investment	$ 2,557,575	$ 3,936,957	$ (1,379,382)	(35)%
Notes, certificates and secured borrowings	$ 2,599,676	$ 3,971,992	$ (1,372,316)	(35)%

N/M – Not meaningful

Interest income associated with loans invested in by the Company, securities available for sale, and cash, cash equivalents and restricted cash was $131.0 million and $125.3 million for the years ended December 31, 2019 and 2018, respectively an increase of 5%. The increase was primarily due to an increase in the average outstanding balance of securities available for sale. The impact of the increase in the outstanding balance of loans invested in by the Company was offset by the mix shift to higher credit quality loans with lower interest rates.

Interest expense associated with credit facilities, securities sold under repurchase agreements and securitization notes was $32.2 million and $23.4 million for the years ended December 31, 2019 and 2018, respectively, an increase of 37%. The increase was primarily due to an increase in the average outstanding balance of credit facilities, partially offset by a decrease in the average outstanding balances of securitization notes and certificates.

Net fair value adjustments were $(145.0) million and $(100.7) million for the years ended December 31, 2019 and 2018, respectively, an increase of 44%. The increase was primarily due to increases in the average outstanding balances and investor required yields related to certain loans invested in by the Company to support Structured Program transactions and whole loan sales, partially offset by a shift in overall platform mix towards lower risk and higher credit quality borrowers.

Interest income from loans held for investment and the offsetting interest expense from notes, certificates and secured borrowings were both $214.4 million and $362.2 million for the years ended December 31, 2019 and 2018, respectively, a decrease of 41%. The decrease was primarily due to a decrease in the average outstanding balances of loans held for investment and notes, certificates and secured borrowings, due to a larger portion of loans originated being sold to whole loan investors and purchases by the Company for Structured Program transactions.

Investor Fees

The tables below illustrate the composition of investor fees and the outstanding principal balance of loans serviced, which is a key driver of investor fees, by the method in which the loans were financed for each period presented:

Year Ended December 31,	2019	2018	Change ($)	Change (%)
Investors Fees:				
Whole loans sold	$ 100,123	$ 82,824	$ 17,299	21 %
Notes, certificates and secured borrowings	24,409	31,955	(7,546)	(24)%
Funds and separately managed accounts [1]	—	104	(104)	(100)%
Total	$ 124,532	$ 114,883	$ 9,649	8 %
Outstanding Principal Balance of Loans Serviced On Our Platform (in millions) [2]:				
Whole loans sold	$ 14,118	$ 10,890	$ 3,228	30 %
Notes, certificates and secured borrowings	1,149	2,013	(864)	(43)%
Total excluding loans invested in by the Company	$ 15,267	$ 12,903	$ 2,364	18 %
Loans invested in by the Company	744	843	(99)	(12)%
Total	$ 16,011	$ 13,746	$ 2,265	16 %

[1] Funds are the private funds for which LendingClub Asset Management, LLC (LCAM), or its subsidiaries acted as general partner. In March 2019, we completed the dissolution of those funds. The Company does not expect to earn investor fees from private funds and separately managed accounts in the future.

[2] As of the end of each respective period.

Year Ended December 31,	2018	2017	Change ($)	Change (%)
Investor Fees:				
Whole loans sold	$ 82,824	$ 52,049	$ 30,775	59 %
Notes, certificates and secured borrowings	31,955	32,504	(549)	(2)%
Funds and separately managed accounts [1]	104	2,555	(2,451)	(96)%
Total	$ 114,883	$ 87,108	$ 27,775	32 %
Outstanding Principal Balance of Loans Serviced On Our Platform (in millions) [2]:				
Whole loans sold	$ 10,890	$ 8,178	$ 2,712	33 %
Notes, certificates and secured borrowings	2,013	3,142	(1,129)	(36)%
Total excluding loans invested in by the Company	$ 12,903	$ 11,320	$ 1,583	14 %
Loans invested in by the Company	843	593	250	42 %
Total	$ 13,746	$ 11,913	$ 1,833	15 %

[1] Funds are the private funds for which LendingClub Asset Management, LLC (LCAM), or its subsidiaries acted as general partner. In March 2019, we completed the dissolution of those funds. The Company does not expect to earn investor fees from private funds and separately managed accounts in the future.

[2] As of the end of each respective period.

The Company receives fees to compensate us for the costs we incur in servicing a loan, including managing payments from borrowers, collections, payments to investors, maintaining investors' account portfolios, providing information, and issuing monthly statements. The amount of investor fee revenue earned is predominantly affected

by the servicing rates paid by investors, the outstanding principal balance of loans and the amount of principal and interest collected from borrowers and remitted to investors.

Investor fee revenue related to whole loans sold also includes the change in fair value of our servicing assets and liabilities associated with the loans. Servicing rights are recorded as either an asset or liability in "Gain on sales of loans" in the Company's Consolidated Statements of Operations.

Investor fees – whole loans sold: Investor fee revenue related to the servicing of whole loans sold was $100.1 million and $82.8 million for the years ended December 31, 2019 and 2018, respectively, an increase of 21%. The increase was primarily due to a higher principal balance of whole loans serviced and increases in delinquent loan collections and charged-off loan sales, partially offset by the change in fair value of servicing rights.

Investor fees – notes, certificates and secured borrowings: Investor fee revenue related to the servicing of loans underlying notes, certificates and secured borrowings was $24.4 million and $32.0 million for the years ended December 31, 2019 and 2018, respectively, a decrease of 24%. The decrease was primarily due to a lower principal balance of loans serviced and a decrease in charged-off loan sales, partially offset by an increase in delinquent loan collections.

Investor fees – Funds and separately managed accounts: In July 2016, certain of the private funds ceased accepting contributions and limited existing investors' ability to make redemption requests, pursuant to the terms of the respective limited partnership agreements, and in October 2017 we completed the dissolution of those funds. In October 2018, LCAM initiated the liquidation of the remaining private funds it manages. As a result, the assets under management associated with those funds were returned to investors and liquidation of those funds was complete as of December 31, 2018. The Company does not expect to earn investor fees from private funds and separately managed accounts in the future.

Gain (Loss) on Sales of Loans

In connection with loan sales and Structured Program transactions, in addition to investor fees earned with respect to the corresponding loan, we recognize a gain or loss on the sale of that loan based on the level to which the contractual loan servicing fee is above or below an estimated market rate loan servicing fee. Additionally, we recognize transactions costs as a loss on sale of loans.

Gain on sales of loans was $67.7 million and $46.0 million for the years ended December 31, 2019 and 2018, respectively, an increase of 47%. The increase was primarily due to an increase in the volume of loans sold and an increase in the weighted-average contractual loan servicing fee that resulted in higher gains on sales of loans.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Other Revenue

Other revenue primarily consists of referral revenue that relates to fees earned from third-party companies when customers referred by us consider or purchase products or services from such third-party companies, and sublease revenue from our sublet office space in San Francisco, California. The table below illustrates the composition of other revenue for each period presented:

Year Ended December 31,	2019	2018	Change ($)	Change (%)
Referral revenue	$ 5,474	$ 3,645	$ 1,829	50%
Sublease revenue	4,637	397	4,240	N/M
Other [1]	3,720	1,797	1,923	107%
Other revenue	$ 13,831	$ 5,839	$ 7,992	137%

Year Ended December 31,	2018	2017	Change ($)	Change (%)
Referral revenue	$ 3,645	$ 5,258	$ (1,613)	(31)%
Sublease revenue	397	391	6	2 %
Other [1]	1,797	787	1,010	128 %
Other revenue	$ 5,839	$ 6,436	$ (597)	(9)%

N/M – Not meaningful

(1) Beginning in the first quarter of 2019, the Company separately reported "Sublease revenue" from "Other" in the tables above. Prior period amounts have been reclassified to conform to the current period presentation.

Operating Expenses

Our operating expenses consist of sales and marketing, origination and servicing, engineering and product development and other general and administrative expenses, as described below.

Sales and Marketing: Sales and marketing expense consists primarily of borrower and investor acquisition efforts, including costs attributable to marketing and selling the loans facilitated through the platform we operate. This includes costs of building general brand awareness, and salaries, benefits and stock-based compensation expense related to our sales and marketing team.

Origination and Servicing: Origination and servicing expense consists primarily of salaries, benefits and stock-based compensation expense and vendor costs attributable to activities that most directly relate to facilitating the origination of loans and servicing loans for borrowers and investors. These costs relate to the credit, collections, customer support and payment processing teams and related vendors.

Engineering and Product Development: Engineering and product development expense consists primarily of salaries, benefits and stock-based compensation expense for our engineering and product management teams, and the cost of contractors who work on the development and maintenance of our platform. Engineering and product development expense also includes non-capitalized hardware and software costs and depreciation, amortization and impairment of technology assets.

Other General and Administrative: Other general and administrative expense consists primarily of salaries, benefits and stock-based compensation expense for our accounting, finance, legal, risk, compliance, human resources and facilities teams, professional services fees and facilities expense.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Year Ended December 31,	2019	2018	Change ($)	Change (%)
Sales and marketing	$ 279,423	$ 268,517	$ 10,906	4 %
Origination and servicing	103,403	99,376	4,027	4 %
Engineering and product development	168,380	155,255	13,125	8 %
Other general and administrative	238,292	228,641	9,651	4 %
Goodwill impairment	—	35,633	(35,633)	(100)%
Class action and regulatory litigation expense	—	35,500	(35,500)	(100)%
Total operating expenses	$ 789,498	$ 822,922	$ (33,424)	(4)%

Year Ended December 31,	2018	2017	Change ($)	Change (%)
Sales and marketing	$ 268,517	$ 229,865	$ 38,652	17 %
Origination and servicing	99,376	86,891	12,485	14 %
Engineering and product development	155,255	142,264	12,991	9 %
Other general and administrative	228,641	191,683	36,958	19 %
Goodwill impairment	35,633	—	35,633	N/M
Class action and regulatory litigation expense	35,500	77,250	(41,750)	(54)%
Total operating expenses	$ 822,922	$ 727,953	$ 94,969	13 %

N/M – Not meaningful

Sales and marketing: Sales and marketing expense was $279.4 million and $268.5 million for the years ended December 31, 2019 and 2018, respectively, an increase of 4%. The increase was primarily due to an increase in variable marketing expense based on higher loan origination volume, partially offset by a decrease in personnel-related expenses for full-time employees. Sales and marketing expense as a percent of loan originations decreased to 2.27% in 2019 from 2.47% in 2018 as a result of the Company's cost structure simplification efforts, as well as improvements in customer acquisition targeting models.

Origination and servicing: Origination and servicing expense was $103.4 million and $99.4 million for the years ended December 31, 2019 and 2018, respectively, an increase of 4%. The increase was primarily due to incremental personnel-related expenses associated with establishing a site in the Salt Lake City area. Personnel-related expenses for full-time employees decreased from 2018, which was partially offset by an increased use of outsourced service providers.

Engineering and product development: Engineering and product development expense was $168.4 million and $155.3 million for the years ended December 31, 2019 and 2018, respectively, an increase of 8%. The increase was primarily driven by continued investment in technology and platform improvements that are focused on enhancing our credit decisioning capabilities, internal testing environment and cloud infrastructure, which included increases in depreciation and impairment expense and equipment and software expense. Personnel-related expenses for full-time employees decreased from 2018, which was partially offset by an increased use of outsourced service providers.

We capitalized $36.1 million and $46.8 million in software development costs for the years ended December 31, 2019 and 2018, respectively.

Other general and administrative expense: Other general and administrative expense was $238.3 million and $228.6 million for the years ended December 31, 2019 and 2018, respectively, an increase of 4%. The increase was primarily due to an increase in personnel-related expenses resulting from a higher headcount of full-time employees, an expense related to the termination of a legacy contract in the second quarter of 2019 and an increase

in facilities expense, partially offset by a reduction in professional services and external advisory fees. The increase in facilities expense was primarily associated with establishing a site in the Salt Lake City area and having the offsetting sublease revenue from our sublet office space in San Francisco, California, recorded in Other revenue in the Company's Consolidated Statements of Operations.

Goodwill Impairment

In 2018, we had one reporting unit for goodwill impairment testing purposes, the patient and education finance reporting unit. We performed a quantitative annual test for impairment on April 1, 2018 and recorded a goodwill impairment expense of $35.6 million in the second quarter of 2018, resulting in full impairment of the remaining goodwill.

Class Action and Regulatory Litigation Expense

There was no class action and regulatory litigation expense related to legacy issues for the year ended December 31, 2019. Class action and regulatory litigation expense for the year ended December 31, 2018 was $35.5 million, which is included in "Class action and regulatory litigation expense" on the Company's Consolidated Statements of Operations. This expense was related to significant governmental and regulatory investigations following the internal board review described more fully in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Board Review*" contained in *Part II, Item 7* of the Company's Annual Report on Form 10-K for the year ended December 31, 2016.

Income Taxes

Income tax expense (benefit) is primarily attributable to the tax effects of unrealized gains recorded to other comprehensive income associated with the Company's available for sale portfolio and current state income taxes. We continue to recognize a full valuation allowance against net deferred tax assets. This determination was based on the assessment of the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. As of December 31, 2019 and 2018, the valuation allowance was $169.5 million and $169.3 million, respectively. We intend to continue maintaining a full valuation allowance on our deferred tax assets until there is sufficient evidence to support the reversal of all or some portion of these allowances.

Non-GAAP Financial Measures and Supplemental Financial Information

We use certain non-GAAP financial measures in evaluating our operating results. We believe that Contribution, Contribution Margin, Adjusted Net Income (Loss), Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Earnings (Loss) Per Share (Adjusted EPS) and Net Cash and Other Financial Assets help identify trends in our core business results and allow for greater transparency with respect to key metrics used by our management in its decision making.

Our non-GAAP measures have limitations as analytical tools and you should not consider them in isolation. These non-GAAP measures should not be viewed as substitutes for, or superior to, net income (loss) as prepared in accordance with GAAP. In evaluating these non-GAAP measures, you should be aware that in the future we will incur expenses similar to the adjustments in this presentation. There are a number of limitations related to the use of these non-GAAP financial measures versus their most directly comparable GAAP measures, which include the following:

- Other companies, including companies in our industry, may calculate these measures differently, which may reduce their usefulness as a comparative measure.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

- Although depreciation, impairment and amortization are non-cash charges, the assets being depreciated, impaired and amortized may have to be replaced in the future and Adjusted EBITDA and Adjusted EBITDA Margin do not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements.
- These measures do not reflect tax payments that may represent a reduction in cash available to us.

Contribution and Contribution Margin

Contribution is a non-GAAP financial measure that is calculated as net revenue less "Sales and marketing" and "Origination and servicing" expenses on the Company's Consolidated Statements of Operations, adjusted to exclude cost structure simplification and non-cash stock-based compensation expenses within these captions and income or loss attributable to noncontrolling interests. These costs represent the costs that are most directly related to generating such revenue. The adjustment for cost structure simplification expense relates to a review of our cost structure and a number of expense initiatives underway, including the establishment of a site in the Salt Lake City area. The expense includes incremental and excess personnel-related expenses associated with establishing our Salt Lake City area site and external advisory fees. Contribution margin is a non-GAAP financial measure calculated by dividing Contribution by total net revenue.

Contribution and Contribution Margin are measures of overall direct product profitability that our management and board of directors find useful, and believe investors may find useful, in understanding the relationship between costs most directly associated with revenue generating activities and the related revenue, and remaining amount available to support our costs of engineering and product development and other general and administrative expense to evaluate our operating performance and trends. While we believe Contribution and Contribution Margin are useful for the reasons above, they are not an overall measure of our profitability, as they exclude engineering and product development and other general and administrative expenses that are required to run our business. Factors that affect our Contribution and Contribution Margin include revenue mix, variable marketing expenses and origination and servicing expenses.

The following table shows the calculation of Contribution and Contribution Margin:

Year Ended December 31,	2019	2018	2017
Total net revenue	$ 758,607	$ 694,812	$ 574,540
Sales and marketing expense	(279,423)	(268,517)	(229,865)
Origination and servicing expense	(103,403)	(99,376)	(86,891)
Total direct expenses	(382,826)	(367,893)	(316,756)
Cost structure simplification expense [1]	7,318	880	—
Stock-based compensation [2]	9,250	11,684	12,458
(Income) Loss attributable to noncontrolling interests	(55)	(155)	210
Contribution	$ 392,294	$ 339,328	$ 270,452
Contribution margin	51.7%	48.8%	47.1%

(1) Contribution excludes the portion of personnel-related expense associated with establishing a site in the Salt Lake City area that is included in the "Sales and marketing" and "Origination and servicing" expense categories.

(2) Contribution excludes stock-based compensation expense included in the "Sales and marketing" and "Origination and servicing" expense categories.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

The following table presents a reconciliation of LendingClub net loss to Contribution for each of the periods indicated:

Year Ended December 31,	2019	2018	2017
LendingClub net loss	$ (30,745)	$ (128,308)	$ (153,835)
Engineering and product development expense	168,380	155,255	142,264
Other general and administrative expense	238,292	228,641	191,683
Cost structure simplification expense [1]	7,318	880	—
Goodwill impairment expense	—	35,633	—
Class action and regulatory litigation expense	—	35,500	77,250
Stock-based compensation expense [2]	9,250	11,684	12,458
Income tax expense (benefit)	(201)	43	632
Contribution	$ 392,294	$ 339,328	$ 270,452
Total net revenue	$ 758,607	$ 694,812	$ 574,540
Contribution margin	51.7%	48.8%	47.1%

(1) Contribution excludes the portion of personnel-related expenses associated with establishing a site in the Salt Lake City area that are included in the "Sales and marketing" and "Origination and servicing" expense categories.

(2) Contribution excludes stock-based compensation expense included in the "Sales and marketing" and "Origination and servicing" expense categories.

Adjusted Net Income (Loss), Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted EPS

Adjusted Net Income (Loss) is a non-GAAP financial measure defined as net income (loss) attributable to LendingClub adjusted to exclude certain items that are either non-recurring, do not contribute directly to management's evaluation of its operating results, or non-cash items, such as (1) expenses related to our cost structure simplification, as discussed above, (2) goodwill impairment, (3) legal, regulatory and other expense related to legacy issues, (4) acquisition and related expenses and (5) other items (consisting of certain non-legacy litigation and/or regulatory settlement expenses and gains on disposal of certain assets), net of tax. Legacy items are generally those expenses that arose from the decisions of legacy management prior to the board review initiated in 2016 and resulted in the resignation of our former CEO, including legal and other costs associated with ongoing regulatory and government investigations, indemnification obligations, litigation, and termination of certain legacy contracts. In the fourth quarter of 2019, we added an adjustment to Adjusted Net Income (Loss) for "Acquisition and related expenses" to adjust for costs related to the acquisition of Radius. In the second quarter of 2019, we added an adjustment to Adjusted Net Income (Loss) and Adjusted EBITDA for "Other items" to adjust for expenses or gains that are not part of our core operating results. We believe Adjusted Net Income (Loss) is an important measure because it directly reflects the financial performance of our business.

Adjusted EBITDA is a non-GAAP financial measure defined as net income (loss) attributable to LendingClub adjusted to exclude certain items that are either non-recurring, do not contribute directly to management's evaluation of its operating results, or non-cash items, such as (1) cost structure simplification expense, (2) goodwill impairment, (3) legal, regulatory and other expense related to legacy issues, (4) acquisition and related expenses, (5) other items, as discussed above, (6) depreciation, impairment and amortization expense, (7) stock-based compensation expense and (8) income tax expense (benefit). We believe that Adjusted EBITDA is an important measure of operating performance because it allows management, investors and our board to evaluate and compare our core operating results, including our return on capital and operating efficiencies, from period to period. Additionally, we utilize Adjusted EBITDA as an input into the Company's calculation of the annual bonus plan.

Adjusted EBITDA Margin is a non-GAAP financial measure calculated by dividing Adjusted EBITDA by total net revenue.

Adjusted EPS is a non-GAAP financial measure calculated by dividing Adjusted Net Income (Loss) by the weighted-average diluted common shares outstanding. We believe that Adjusted EPS is an important measure because it directly reflects the core operating results of our business on a per share basis.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

The following table presents a reconciliation of LendingClub net loss to Adjusted Net Income (Loss) and Adjusted EBITDA and a calculation of Adjusted EPS for each of the periods indicated:

Year Ended December 31,	2019	2018	2017
LendingClub net loss	$ (30,745)	$ (128,308)	$ (153,835)
Cost structure simplification expense [1]	9,933	6,782	—
Goodwill impairment	—	35,633	—
Legal, regulatory and other expense related to legacy issues [2]	19,609	53,518	80,250
Acquisition and related expenses [3]	932	—	349
Other items [4]	2,453	—	—
Adjusted net income (loss)	$ 2,182	$ (32,375)	$ (73,236)
Depreciation and impairment expense:			
Engineering and product development	49,207	45,037	36,790
Other general and administrative	6,446	5,852	5,130
Amortization of intangible assets	3,499	3,875	4,288
Stock-based compensation expense	73,639	75,087	70,983
Income tax expense (benefit)	(201)	43	632
Adjusted EBITDA	$ 134,772	$ 97,519	$ 44,587
Total net revenue	$ 758,607	$ 694,812	$ 574,540
Adjusted EBITDA margin	17.8%	14.0%	7.8%
Weighted-average common shares – diluted [5]	87,278,596	84,583,461	81,799,189
Weighted-average other dilutive equity awards	515,439	—	—
Non-GAAP diluted shares [5]	87,794,035	84,583,461	81,799,189
Adjusted EPS – diluted [5]	$ 0.02	$ (0.38)	$ (0.90)

(1) Includes personnel-related expenses associated with establishing a site in the Salt Lake City area and external advisory fees. These expenses are included in "Sales and marketing," "Origination and servicing," "Engineering and product development" and "Other general and administrative" expense on the Company's Consolidated Statements of Operations. In the fourth quarter of 2018 and first quarter of 2019, also includes external advisory fees which are included in "Other general and administrative" expense on the Company's Consolidated Statements of Operations.

(2) In 2019, includes legacy legal expenses, expense related to the dissolution of certain private funds previously managed by LCAM, and expense related to the termination of a legacy contract, which are included in "Other general and administrative" expense, "Net fair value adjustments," and "Other general and administrative" expense on the Company's Consolidated Statements of Operations, respectively. Includes class action and regulatory litigation expense of $35.5 million and $77.3 million for the years ended December 31, 2018 and 2017, respectively, which is included in "Class action and regulatory litigation expense" on the Company's Consolidated Statements of Operations. In 2018 and 2017, also includes legacy legal expenses which are included in "Other general and administrative" expense on the Company's Consolidated Statements of Operations.

(3) In 2019, represents costs related to the acquisition of Radius. In 2017, represents incremental compensation expense required to be paid under the purchase agreement to retain key former shareholder employees of an acquired business.

(4) In 2019, consists of expenses related to certain non-legacy litigation and regulatory matters, which are included in "Other general and administrative" expense on the Company's Consolidated Statements of Operations. Also includes a gain on the sale of our small business operating segment.

(5) All share and per share information has been retroactively adjusted to reflect a reverse stock split. See "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 4. Net Loss Per Share*" for additional information.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Supplemental Financial Information

The following table is provided to delineate between the assets and liabilities belonging to our member payment dependent self-directed retail program (Retail Program) note holders and certain VIEs that we are required to consolidate in accordance with GAAP. Such assets are not legally ours and the associated liabilities are payable only from the cash flows generated by those assets (i.e. Pass-throughs). As such, these debt holders do not have a secured interest in any other assets of LendingClub. We believe this is a useful measure because it illustrates the overall financial stability and operating leverage of the Company.

	December 31, 2019				December 31, 2018			
	Retail Program [1]	Consolidated VIEs [2] [4]	All Other LendingClub [3]	Consolidated Balance Sheet	Retail Program [1]	Consolidated VIEs [2]	All Other LendingClub [3]	Consolidated Balance Sheet
Assets								
Cash and cash equivalents	$ —	$ —	$ 243,779	$ 243,779	$ —	$ —	$ 372,974	$ 372,974
Restricted cash	—	2,894	240,449	243,343	15,551	17,660	237,873	271,084
Securities available for sale	—	—	270,927	270,927	—	—	170,469	170,469
Loans held for investment at fair value	881,473	197,842	—	1,079,315	1,241,157	642,094	—	1,883,251
Loans held for investment by the Company at fair value [4]	—	37,638	6,055	43,693	—	—	2,583	2,583
Loans held for sale by the Company at fair value	—	—	722,355	722,355	—	245,345	594,676	840,021
Accrued interest receivable	5,930	1,815	5,112	12,857	8,914	7,242	6,099	22,255
Property, equipment and software, net	—	—	114,370	114,370	—	—	113,875	113,875
Operating lease assets	—	—	93,485	93,485	—	—	—	—
Intangible assets, net	—	—	14,549	14,549	—	—	18,048	18,048
Other assets [5]	—	—	143,668	143,668	—	530	124,437	124,967
Total assets	$ 887,403	$ 240,189	$ 1,854,749	$ 2,982,341	$ 1,265,622	$ 912,871	$ 1,641,034	$ 3,819,527
Liabilities and Equity								
Accounts payable	$ —	$ —	$ 10,855	$ 10,855	$ —	$ —	$ 7,104	$ 7,104
Accrued interest payable	5,930	1,737	1,593	9,260	11,484	7,594	163	19,241
Operating lease liabilities	—	—	112,344	112,344	—	—	—	—
Accrued expenses and other liabilities [5]	—	—	142,636	142,636	—	15	152,103	152,118
Payable to investors	—	—	97,530	97,530	—	—	149,052	149,052
Notes, certificates and secured borrowings at fair value	881,473	197,842	2,151	1,081,466	1,254,138	648,908	2,829	1,905,875
Payable to securitization note and certificate holders [4]	—	40,610	—	40,610	—	256,354	—	256,354
Credit facilities and securities sold under repurchase agreements	—	—	587,453	587,453	—	—	458,802	458,802
Total liabilities	887,403	240,189	954,562	2,082,154	1,265,622	912,871	770,053	2,948,546
Total equity	—	—	900,187	900,187	—	—	870,981	870,981
Total liabilities and equity	$ 887,403	$ 240,189	$ 1,854,749	$ 2,982,341	$ 1,265,622	$ 912,871	$ 1,641,034	$ 3,819,527

(1) Represents loans held for investment at fair value that are funded directly by our Retail Program notes. The liabilities are only payable from the cash flows generated by the associated assets. We do not assume principal or interest rate risk on loans facilitated through our lending marketplace that are funded by our Retail Program because loan balances, interest rates and maturities are matched and offset by an equal balance of notes with the exact same interest rates and maturities. We do not retain any economic interests from our Retail Program. Interest expense on Retail Program notes of $148.0 million and $210.8 million was equally matched and offset by interest income from the related loans of $148.0 million and $210.8 million in 2019 and 2018, respectively, resulting in no net effect on our Net interest income and fair value adjustments.

(2) Represents assets and equal and offsetting liabilities of certain VIEs that we are required to consolidate in accordance with GAAP, but which are not legally ours. The liabilities are only payable from the cash flows generated by the associated assets. The creditors of the VIEs have no recourse to the general credit of the Company. Interest expense on these liabilities owned by third parties of $70.8 million and net fair value adjustments of $13.5 million in 2019 were equally matched and offset by interest income on the loans of $84.3 million, resulting in no net effect on our Net interest income and fair value adjustments. Interest expense on these liabilities owned by third parties of $154.9 million and net fair value adjustments of $15.9 million in 2018 were equally matched and offset by interest income on the loans of $170.8 million, resulting in no net effect on our Net interest income and fair value adjustments. Economic interests held by LendingClub, including retained interests, residuals and equity of the VIEs, are reflected in "Loans held for sale by the Company at fair value," "Loans held for investment by the Company at fair value" and "Restricted cash," respectively, within the "All Other LendingClub" column.

(3) Represents all other assets and liabilities of LendingClub, other than those related to our Retail Program and certain consolidated VIEs, but includes any economic interests held by LendingClub, including retained interests, residuals and equity of those consolidated VIEs.

(4) In the fourth quarter of 2019, the Company sponsored a new Structured Program transaction that was consolidated, resulting in an increase to "Loans held for investment by the Company at fair value" and the related "Payable to securitization note and certificate holders." See "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 14. Debt*" for additional information.

(5) In the fourth quarter of 2019, the Company presented operating lease assets and operating lease liabilities separately from "Other assets" and "Accrued expenses and other liabilities," respectively, on its Consolidated Balance Sheets. This change in presentation had no impact on prior period amounts presented.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Net Cash and Other Financial Assets

The following table provides additional detail related to components of our Net Cash and Other Financial assets. We believe Net Cash and Other Financial Assets is a useful measure because it illustrates the overall financial stability and operating leverage of the Company. This measure is calculated as cash and certain other assets and liabilities, including loans and securities available for sale, which are partially secured and offset by related credit facilities, and working capital.

	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Cash and cash equivalents [1]	$ 243,779	$ 199,950	$ 334,713	$ 402,311	$ 372,974
Restricted cash committed for loan purchases [2]	68,001	84,536	31,945	24,632	31,118
Securities available for sale	270,927	246,559	220,449	197,509	170,469
Loans held for investment by the Company at fair value [3]	43,693	4,211	5,027	8,757	2,583
Loans held for sale by the Company at fair value	722,355	710,170	435,083	552,166	840,021
Payable to securitization note and certificate holders [3]	(40,610)	—	—	(233,269)	(256,354)
Credit facilities and securities sold under repurchase agreements	(587,453)	(509,107)	(324,426)	(263,863)	(458,802)
Other assets and liabilities [2]	(6,226)	(31,795)	(12,089)	(8,541)	(31,241)
Net cash and other financial assets [4]	$ 714,466	$ 704,524	$ 690,702	$ 679,702	$ 670,768

(1) Variations in cash and cash equivalents are primarily due to variations in the amount and timing of loan purchases invested in by the Company.

(2) In the fourth quarter of 2019, we added a new line item called "Other assets and liabilities" which is a total of "Accrued interest receivable," "Other assets," "Accounts payable," "Accrued interest payable" and "Accrued expenses and other liabilities," included on our Consolidated Balance Sheets. This line item represents certain assets and liabilities that impact working capital and are affected by timing differences between revenue and expense recognition and related cash activity. In the third quarter of 2019, we added a new line item called "Restricted cash committed for loan purchases," which represents cash and cash equivalents that are transferred to restricted cash for loans that are pending purchase by the Company. We believe this is a more complete representation of the Company's net cash and other financial assets position as of each period presented in the table above. Prior period amounts have been reclassified to conform to the current period presentation.

(3) In the fourth quarter of 2019, the Company sponsored a new Structured Program transaction that was consolidated, resulting in an increase to "Loans held for investment by the Company at fair value" and the related "Payable to securitization note and certificate holders." See "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 14. Debt*" for additional information.

(4) Comparable GAAP measure cannot be provided as not practicable.

Investments in Quarterly Originations by Investment Channel and Investor Concentration

Our investment channels consist of (1) Banks, which are deposit taking institutions or their affiliates, (2) LendingClub inventory, which includes loan originations purchased by the Company during the period and not yet sold as of the period end, (3) Other institutional investors and Managed accounts, which primarily include other non-bank investors, dedicated third-party funds, and public and private funds managed by third-party asset managers, and (4) self-directed retail investors.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

The following table shows the percentage of loan origination volume issued in the period and purchased or pending purchase by each investment channel as of the end of each period presented:

	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Investor Type:					
Banks	32%	38%	45%	49%	41%
Other institutional investors	25%	20%	21%	18%	19%
LendingClub inventory [(1)]	23%	23%	13%	10%	18%
Managed accounts	17%	15%	16%	17%	16%
Self-directed retail investors	3%	4%	5%	6%	6%
Total	100%	100%	100%	100%	100%

(1) LendingClub inventory reflects loans purchased or pending purchase by the Company during the period, excluding loans held by the Company through consolidated trusts, if applicable, and not yet sold as of the period end.

The Company strategically tightened credit underwriting throughout 2019. An increase in annual volume in our business and a shift in mix to higher quality grade A and B borrowers resulted in changes to proportional purchases by investor type. The proportional reduction in the Bank investors' share of our marketplace has been primarily offset by a proportional increase in LendingClub inventory targeted for the Company's Structured Program and a proportional increase in purchases by institutional investors. During the fourth quarter of 2019, the Company sponsored its first securitization of exclusively grade A and B loans to attract a wider range of loan investors.

The following table provides the percentage of loans invested in by the ten largest external investors and by the largest single investor during each of the previous five quarters (by dollars invested):

	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Percentage of loans invested in by ten largest investors	51%	55%	62%	65%	58%
Percentage of loans invested in by largest single investor	19%	29%	33%	36%	29%

The composition of the top ten investors may vary from period to period. During 2019, the Company made multiple efforts to reduce its concentration of investors by introducing several new products in its Structured Program, including Levered Certificates, LCX and a securitization of exclusively grade A and B loans. The percentage of loans invested in by our ten largest investors decreased 4% from the third quarter of 2019 primarily due to a decrease in loans purchased by banks, as well as reducing our concentration to our largest investor. Our largest investor continues to invest in loans, but not at the same proportional level due primarily to the Company's increased annual loan volume.

Effectiveness of Scoring Models

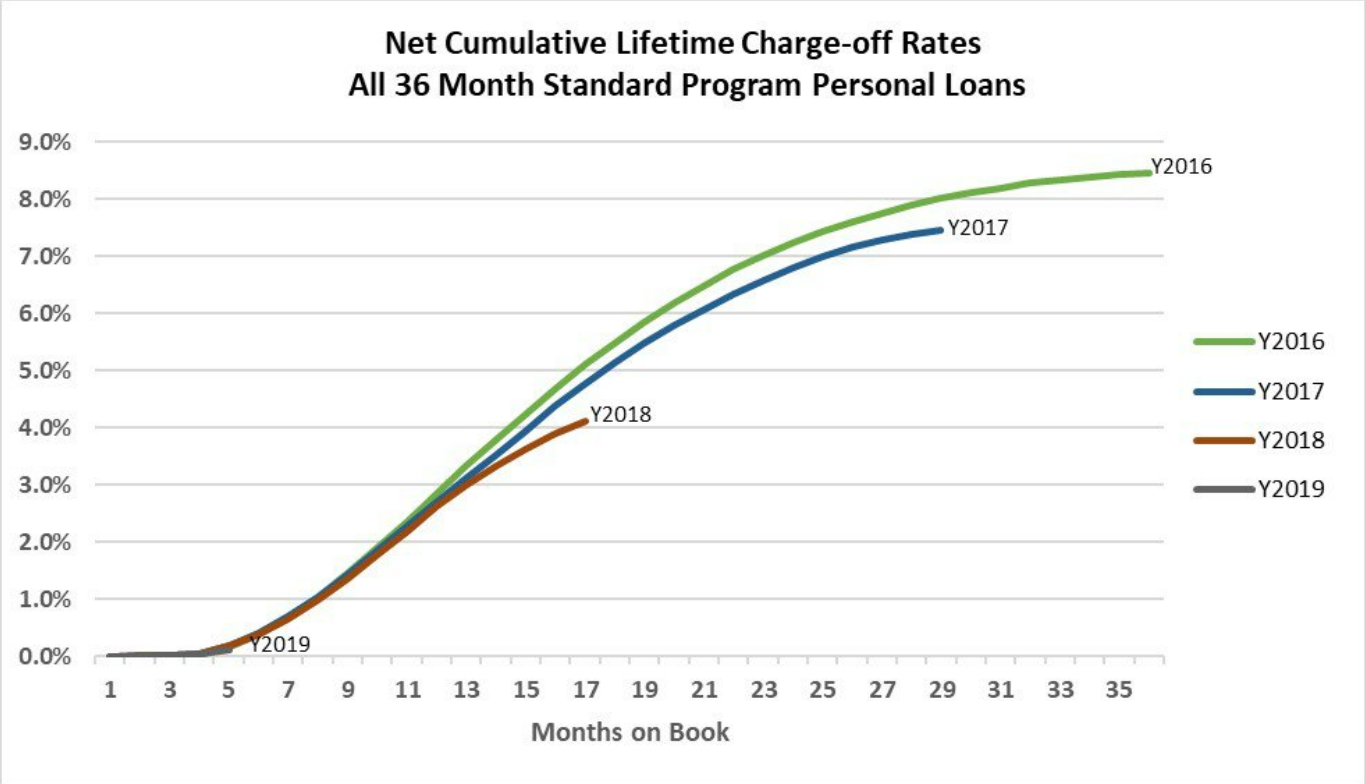
Our ability to attract borrowers and investors to our lending marketplace is significantly dependent on our platform's ability to effectively evaluate a borrower's credit profile.

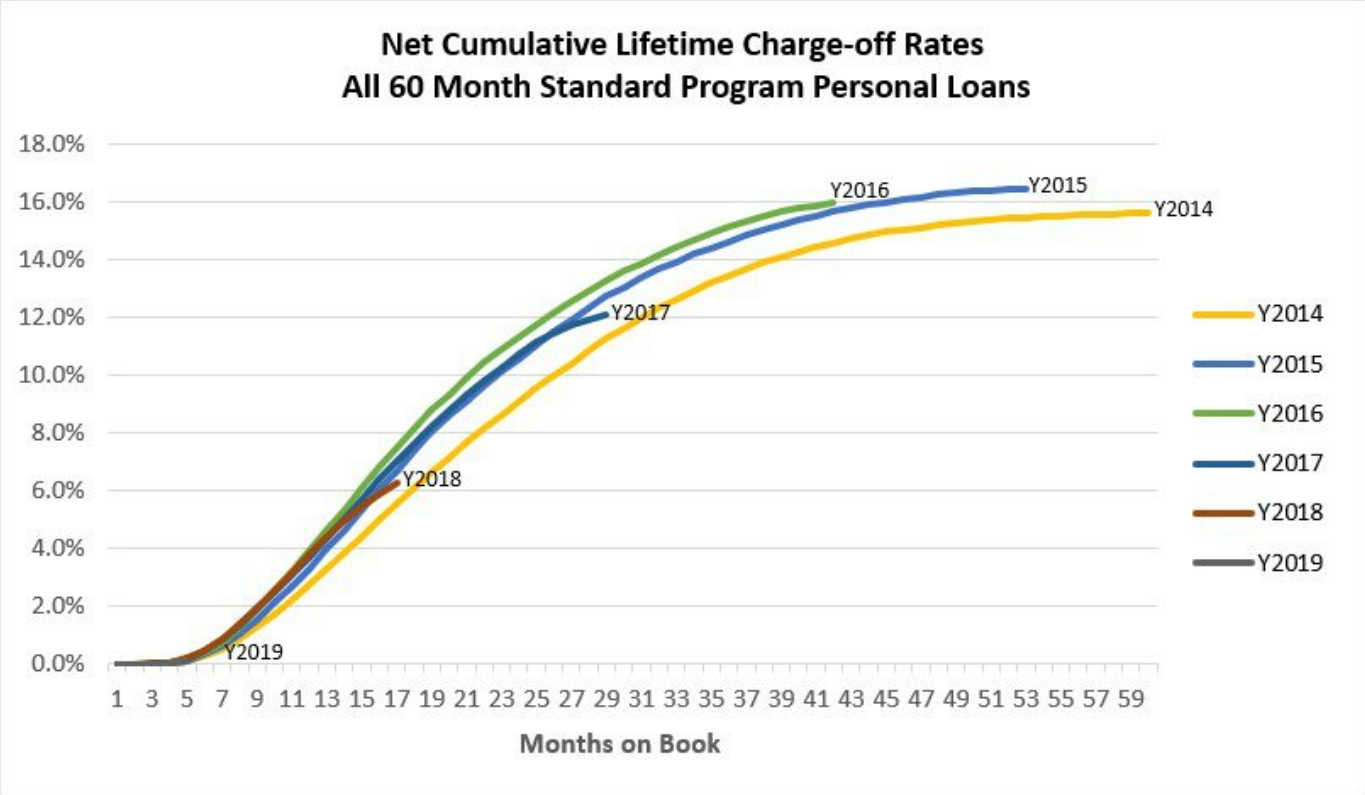
Our online lending marketplace platform's credit decisioning and scoring models are evaluated on a regular basis and the additional data on loan history experience, borrower behavior and prepayment trends that we accumulate are leveraged to continually improve our underwriting models. We believe we have the experience to effectively

evaluate a borrower's creditworthiness and likelihood of default. If our lending marketplace's credit decisioning and scoring models ultimately prove to be ineffective or fail to appropriately account for a decline in future macroeconomic environment, investors may experience higher than expected losses.

Our current underwriting model leverages a number of custom attributes developed by LendingClub. We work with our primary issuing bank partner to modify their credit and pricing policies, leveraging insights on current market conditions and recent vintage performance.

The charts provided below display the historical lifetime cumulative net charge-off rates (expressed as a percent of original loan balances) through December 31, 2019, by booking year, for all standard program loans and 36-month or 60-month terms for each of the years shown. The charts display lifetime cumulative net charge-off rates using months on book for each annual vintage presented. Each annual vintage's lifetime cumulative net charge-offs vary based on the maturity of each loan's month on book. In the fourth quarter and year ended December 31, 2019, standard program loans accounted for 68% and 69%, respectively, of all loan origination volume.





Loan Portfolio Information and Credit Metrics

Fair Value and Delinquencies

For loans held for investment that are backed by notes, certificates and secured borrowings on our Consolidated Balance Sheets, the outstanding principal balance, fair value and percentage of loans that are delinquent, by loan product, are as follows:

	December 31, 2019			December 31, 2018		
(in millions, except percentages)	Outstanding Principal Balance	Fair Value [2]	Delinquent Loans [2]	Outstanding Principal Balance	Fair Value [2]	Delinquent Loans [2]
Personal loans – standard program	$ 1,144.8	93.9%	3.1%	$ 1,994.1	93.5%	3.5%
Personal loans – custom program	4.1	94.8	5.7	19.2	92.8	7.1
Other loans [1]	—	—	—	0.1	96.0	10.6
Total	$ 1,148.9	93.9%	3.1%	$ 2,013.4	93.5%	3.5%

[1] Components of other loans are less than 10% of the outstanding principal balance presented individually.
[2] Expressed as a percent of outstanding principal balance.

Increases in the fair value of loans as a percent of outstanding principal balance from December 31, 2018 to December 31, 2019 were primarily due to a shift in the mix of personal loans toward lower risk grades.

For loans invested in directly by the Company for which there were no associated notes, certificates or secured borrowings, the outstanding principal balance, fair value and percentage of loans that are delinquent, by loan product, are as follows:

	December 31, 2019			December 31, 2018		
(in millions, except percentages)	Outstanding Principal Balance [2]	Fair Value [3]	Delinquent Loans [3]	Outstanding Principal Balance [2]	Fair Value [3]	Delinquent Loans [3]
Personal loans – standard program	$ 597.9	96.5%	0.8%	$ 706.1	96.5%	0.7%
Personal loans – custom program	92.8	98.1	0.4	89.4	98.5	0.7
Other loans [1]	103.7	94.7	3.9	77.7	93.9	0.2
Total	$ 794.4	96.4%	1.2%	$ 873.2	96.5%	0.7%

[1] Components of other loans are less than 10% of the outstanding principal balance if presented individually.
[2] Includes both loans held for investment and loans held for sale.
[3] Expressed as a percent of outstanding principal balance.

The fair value of total loans invested in by the Company as a percent of outstanding principal balance from December 31, 2018 to December 31, 2019 remained relatively unchanged due to an increase in fair value as a result of a shift in portfolio mix to higher volume in lower risk grades, offset by higher discounts.

Net Annualized Charge-Off Rates

The following tables show annualized net charge-off rates, which are a measure of the performance of the loans facilitated by our platform. In contrast to the graphs above, these tables show the annualized charged-off balance of loans in a specific period as a percentage of the average outstanding balance for such period.

Net annualized charge-off rates are affected by the average age and grade distribution of the loans outstanding for a given quarter and the credit performance of those loans. Additionally, in any particular quarter the portfolios include loans from past vintages that were originated under prior credit underwriting parameters, and thus do not reflect the current credit underwriting parameters used to originate new loans.

The annualized net charge-off rates for personal loans for both standard and custom programs in total for the last five quarters were as follows:

Total Platform [1]	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Personal loans – standard program:					
Annualized net charge-off rate	7.0%	6.4%	6.4%	7.0%	7.0%
Weighted-average age in months	12.5	12.3	12.3	12.4	12.3
Personal loans – custom program:					
Annualized net charge-off rate	11.5%	10.9%	10.8%	12.8%	12.4%
Weighted-average age in months	9.4	9.3	9.9	9.7	9.5

[1] Total platform comprises all loans facilitated through our lending marketplace, including whole loans sold and loans financed by notes, certificates and secured borrowings, but excluding education and patient finance loans, auto refinance loans and small business loans.

The decrease in the annualized net charge-off rate in the fourth quarter of 2019 compared to the fourth quarter of 2018 for the total platform custom personal loan program primarily reflects the effect of a greater increase in

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outstanding loan balances (and a higher mix of lower risk loans) proportionate to the increase in actual net charge-offs.

The increase in the annualized net charge-off rates in the fourth quarter of 2019 compared to the third quarter of 2019 for both the standard and custom personal loan programs reflects the effect of higher outstanding loan balances and a seasonal increase in actual net charge-offs.

The annualized net charge-off rates for personal loans for both standard and custom programs for loans retained on our Consolidated Balance Sheets for the last five quarters were as follows:

Loans Retained on Balance Sheet [1]	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Personal loans – standard program:					
Annualized net charge-off rate	7.1%	6.8%	7.1%	8.2%	9.0%
Weighted-average age in months	12.4	12.7	15.9	15.5	14.3
Personal loans – custom program:					
Annualized net charge-off rate	1.6%	2.5%	1.6%	4.9%	5.9%
Weighted-average age in months	3.9	6.9	6.4	13.4	6.9

[1] Loans retained on balance sheet include loans invested in by the Company as well as loans held for investment that are funded directly by member payment dependent notes related to our Retail Program and certificates.

The decrease in annualized net charge-off rates for the standard personal loan program in the fourth quarter of 2019 compared to the fourth quarter of 2018 for the loans retained on our Consolidated Balance Sheets reflects the effect of lower outstanding loan balances and a decrease in actual net charge-offs.

The increase in the annualized net charge-off rate in the fourth quarter of 2019 compared to the third quarter of 2019 for the standard personal loan program is primarily due the effect of a decrease in outstanding loan balances.

The annualized net charge-off rates and weighted-average age in months for custom program loans retained on our Consolidated Balance Sheets reflect the change in outstanding principal balance period-over-period based on purchase and sale activity of recently issued near-prime loans.

The annualized net charge-off rates for standard program loans are higher for loans retained on our Consolidated Balance Sheets compared to loans reflected at the total platform level for each quarter because of, among other reasons, a difference in grade distribution for the two portfolios. The proportion of grade A and B loans is 55% of the retained loan portfolio compared to 57% for the total platform level as of December 31, 2019. This difference in loan grade distribution results in higher net charge-off rates for the loans on the Consolidated Balance Sheets compared to the total platform, as grade A and B loans have lower expected and actual credit losses.

Regulatory Environment

We are regularly subject to claims, individual and class action lawsuits, lawsuits alleging regulatory violations, government (including state agencies) and regulatory exams, investigations, inquiries or requests, and other proceedings. The number and significance of these claims, lawsuits, exams, investigations, inquiries, requests and proceedings have increased in part because our business has expanded in scope and geographic reach, and our products and services have increased in complexity. For example, we have experienced, are currently and will likely continue to be subject to and experience exams from state regulators, and our legal, compliance and other costs related to such proceedings may elevate from current levels. See "*Part I – Item 1. Business – Regulatory and Compliance Framework,*" "*Part I – Item 1A. Risk Factors – Risks Related to Our Business and Regulation,*"

including the risk factors titled "*We are regularly subject to litigation, and government and regulatory investigations, inquiries and requests,*" "*If the loans facilitated through our lending marketplace were found to violate a state's usury laws, and/or we were found to be the true lender (as opposed to our issuing bank(s)), we may have to alter our business model and our business could be harmed*" and "*The regulatory framework for our business is evolving and uncertain as federal and state governments consider new laws to regulate online lending marketplaces such as ours. New laws and regulations, including uncertainty as to how the actions of any federal or state regulator could impact our business or that of our issuing bank(s).*" for more information, additional discussion and disclosure, including the potential adverse outcomes and consequences from such proceedings.

Bank Partnership Model

There has been (and may continue to be) an increase in inquiries, regulatory proceedings, including exams by state regulators, and litigation challenging or raising issues relating to, among other things, the application of state usury rates and lending arrangements where a bank or other third party has made a loan and then sells and assigns it to an entity that is engaged in assisting with the origination or servicing of a loan.

For example, in January 2017, the Colorado Administrator (Administrator) of the Uniform Consumer Credit Code filed suit against Avant, Inc., a company that operates an online consumer loan platform. The Administrator asserts that loans to Colorado residents facilitated through Avant's platform were required to comply with Colorado laws regarding interest rates and fees, and that those laws were not preempted by federal laws that apply to loans originated by WebBank, the federally regulated issuing bank who originates loans through Avant's platform, as well as through our platform. Although Avant removed its case to federal court in March 2017, the United States District Court for the District of Colorado issued an order in March 2018 remanding the case to the District Court for the City and County of Denver. In March 2018, the United States District Court for the District of Colorado also issued an order dismissing a parallel case brought by WebBank that sought a declaratory judgment regarding the applicability of preemption to Colorado usury laws and permanent injunctions against the Administrator that would prevent the Administrator from enforcing Colorado usury laws against WebBank and certain parties associated with loans originated by it. Avant thereafter filed a Motion to Dismiss in District Court for the State of Colorado and WebBank moved to intervene in the case. In August 2018, the Court granted WebBank's motion but denied Avant's motion. In November 2018, the Administrator added as defendants certain securitization trusts that had acquired Avant loans. The Administrator is seeking a penalty of ten times the amount of the "excess" finance charges. Trials in this case and in a similar case pending in Colorado against Marlette Funding and Cross River Bank are currently scheduled for Spring 2020.

See "*Part I – Item 1. Business – Regulatory and Compliance Framework – Current Regulatory Environment*" for more information, additional discussion and disclosure regarding relevant third-party litigation and related matters.

Although we believe that our program is factually distinguishable from the Madden case, an extension of the application of the Second Circuit's decision, either within or outside the states in the Second Circuit, could challenge the federal preemption of state laws setting interest rate limitations for loans made by issuing bank partners in those states.

State Inquiries and Licensing

There has been (and may continue to be) an increase in inquiries and regulatory proceedings, including exams by state regulators, with respect to licensing requirements. In most states we believe, because of our issuing bank model, we are exempt from or satisfy relevant licensing requirements with respect to the origination of loans we facilitate. However, as needed, we have endeavored to apply and obtain the appropriate licenses.

The Company has had discussions with the Colorado Department of Law (CDL) concerning the licenses required for the Company's servicing operations and the structure of its offerings in the State of Colorado. While we believe

that our program with WebBank has been structured in accordance with governing federal law, the Administrator has identified alleged "exceptions" to our compliance with provisions of the Colorado Uniform Consumer Credit Code, including with respect to permitted rates and charges. We believe that our model differs in important respects from Avant's business model as alleged in the litigation involving Avant in Colorado. We have also had discussions with the CDL about entering into a terminable agreement with the CDL to, among other things: (i) toll the statutes of limitations on any action the CDL might bring against the Company based on the rates and charges on loans the Company facilitates and (ii) refrain from facilitating certain loans to borrowers located in Colorado available for investment by certain investors. No assurances can be given as to the timing, outcome or consequences of this matter.

We are routinely subject to examination for compliance with applicable laws and regulations in the states in which we are licensed. As of the date of this Report, we are subject to examination by the New York Department of Financial Services (NYDFS). In July 2018, the NYDFS issued an Online Lending Report (Lending Report). The Lending Report included, among other things, an analysis of the online lenders operating in New York including their methods of operations, lending practices, interest rates and costs, products offered and complaints and investigations relating to online lenders. The Lending Report also included information and recommendations regarding protecting New York's markets and consumers. For example, although the Lending Report noted that the rapid growth of online lending demonstrates there is value to new technologies that allow financial institutions to connect with borrowers in new ways, it noted that in many cases an online lender is the "true lender" and that lending in New York, whether through banks, credit unions or online lenders, should be subject to applicable usury limits. We periodically have discussions with various regulatory agencies regarding our business model and have recently engaged in similar discussions with the NYDFS. During the course of such discussions, which remain ongoing, we decided to voluntarily comply with certain rules and regulations of the NYDFS. No assurances can be given as to the timing, outcome or consequences of this matter.

The Company has undertaken a review of its portfolio of licenses and has had discussions with regulators in Texas, Arizona, New York, Florida and North Dakota concerning the licenses required for the Company's issuance of retail notes to investors in these states and has applied for licenses in these states to facilitate these operations. The Company has also had discussions with certain of these regulators to resolve concerns regarding the Company's historical licensing/registration status in connection with retail notes issued. Although the Company is not able to predict with certainty the timing, outcome, or consequence of these discussions, the Company expects to receive permission to re-enter certain states in the near future. Discussions with these states could result in fines or other penalties, which are not expected to have a material adverse impact on the Company's operations or results of operations.

Consequences

If we are found to not have complied with applicable laws, regulations or requirements, we could: (i) lose one or more of our licenses or authorizations, (ii) become subject to a consent order or administrative enforcement action, (iii) face lawsuits (including class action lawsuits), sanctions or penalties, (iv) be in breach of certain contracts, which may void or cancel such contracts, (v) decide or be compelled to modify or suspend certain of our business practices (including limiting the maximum interest rate on certain loans facilitated through our platform and/or refraining from making certain loans available for investment by certain investors), or (vi) be required to obtain a license in such jurisdiction, which may have an adverse effect on our ability to continue to facilitate loans through our lending marketplace, perform our servicing obligations or make our lending marketplace available to borrowers in particular states; any of which may harm our business.

See "*Part I – Item 1. Business – Regulatory and Compliance Framework*" and "*Part I – Item 1A. Risk Factors – Risks Related to Our Business and Regulation*" for further discussion regarding our regulatory environment.

Liquidity and Capital Resources

Liquidity

Our short-term liquidity needs generally relate to our working capital requirements, including the purchase of loans invested in by the Company. These liquidity needs are generally met through cash generated from the operations of facilitating loan originations, servicing fee revenue, proceeds from the sales of loans (both as whole loan sales and through Structured Program transactions), use of existing cash and cash equivalents, and draws on our credit facilities.

We use our own capital and available credit facilities to purchase loans for future Structured Program transactions, whole loan sales and if we experience a reduction in available investor capital to fund loans on our marketplace. During the year ended December 31, 2019, the Company facilitated $12.3 billion of loans on our marketplace. We used our own capital to purchase $5.3 billion in loans and $7.0 billion in loans were issued that were contemporaneously funded by loan sales and by the issuance of notes and certificates. The Company sold $5.1 billion in loans (of which $4.0 billion was sold through Structured Program transactions and $1.1 billion was sold to whole loan investors). As of December 31, 2019, the fair value of loans invested in by the Company was $766.0 million, of which $551.5 million were pledged as collateral under our credit facilities. Given the member payment dependent structure of the notes, certificates and secured borrowings, principal and interest payments on notes, certificates and secured borrowings are paid only when received from borrowers on the corresponding retained loans, resulting in no material impact to our liquidity.

We may use our cash, cash equivalents and securities available for sale as additional sources of liquidity. Cash, cash equivalents and securities available for sale were $514.7 million (which included $174.8 million of securities pledged as collateral) and $543.4 million (which included $53.6 million of securities pledged as collateral) as of December 31, 2019 and 2018, respectively. Our cash and cash equivalents are primarily held in institutional money market funds, interest-bearing deposit accounts at investment-grade financial institutions, certificates of deposit and commercial paper. Our securities available for sale consist of asset-backed securities related to our Structured Program transactions, corporate debt securities, certificates of deposit, other asset-backed securities, commercial paper, and U.S. agency securities. Changes in the balance of cash and cash equivalents are generally a result of timing related to working capital requirements, purchase or sale of loans and securities available for sale, changes in debt outstanding under our credit facilities, and changes in restricted cash and other investments. Changes in the balance of securities available for sale are generally a result of activity related to our Structured Program transactions. Future cash requirements include certain contingent liabilities, including litigations and ongoing regulatory and government investigations primarily related to outstanding legacy issues. As of December 31, 2019 and 2018, we had $16.0 million and $12.8 million in accrued contingent liabilities, respectively, but actual cash payments may vary if outcomes of legal actions or settlements are different. See "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 19. Commitments and Contingencies*" for further information.

On February 18, 2020, the Company and Radius entered into a Merger, in a cash and stock transaction valued at $185 million (of which $138.75 million is in cash and $46.25 million is in stock), plus certain purchase price and expense adjustments of up to $22 million. The closing of the Merger is subject to regulatory approval and other customary closing conditions, which the Company anticipates can be completed within 15 months, as well as customary transaction costs. Additionally, in connection with the Share Exchange Agreement, the Company will provide Shanda a one-time cash payment of approximately $50 million. See "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 22. Subsequent Events*" for additional information.

Our credit facilities and securities sold under repurchase agreements are comprised of secured warehouse credit facilities for personal loans and auto refinance loans (Personal Loan Warehouse Credit Facilities and Auto Loan

Warehouse Credit Facility), a secured revolving credit facility (Revolving Facility), and repurchase agreements. Personal Loan Warehouse Credit Facilities are used to finance our personal loans on a revolving basis and have a combined borrowing capacity of $750.0 million (which will be reduced to $700.0 million on January 15, 2020), with $373.0 million of debt outstanding secured by $533.6 million of loans at fair value as of December 31, 2019. These Personal Loan Warehouse Credit Facilities have "Commitment Termination Dates" ranging from March 2020 to October 2020, at which point the Company's ability to borrow additional funds ends. We are working to amend and extend the Commitment Termination Dates of these Personal Loan Warehouse Credit Facilities, or to replace them with substantially similar credit facilities. We are also evaluating additional warehouse facilities to finance our personal loans with existing and new financial institutions. Under the respective agreements, if not amended, extended, or replaced, any outstanding debt on the Commitment Termination Dates would be repaid as an amortizing term loan until the facility's final maturity dates, ranging from January 2021 to March 2022.

The Auto Loan Warehouse Credit Facility is a term loan used to finance auto refinance loans. The amount borrowed under this Auto Loan Warehouse Credit Facility amortizes over time through regular principal and interest payments collected from the auto refinance loans that serve as collateral. As of December 31, 2019, the Auto Loan Warehouse Credit Facility has an outstanding debt balance of $14.3 million, which matures in June 2021 and is secured by $17.9 million of auto refinance loans at fair value.

The Revolving Facility has a credit limit of $120.0 million, with $60.0 million of debt outstanding as of December 31, 2019, and expires in December 2020.

We have repurchase agreements (with scheduled repurchase dates between February 2020 and December 2026) with counterparties under which we may sell securities (subject to an obligation to repurchase such securities at a specified future date and price) in exchange for cash. As of December 31, 2019, we have an obligation of $140.2 million to repurchase securities with a fair value of $174.8 million.

See "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 14. Debt*" for further information.

The Personal Loan and Auto Loan Warehouse Credit Facilities, Revolving Facility and repurchase agreements have interest rates predominately based on LIBOR. The agreements generally include alternative rates to LIBOR. We plan to renew and/or amend the facilities and agreements before the end of 2021, when it has been announced by the United Kingdom's Financial Conduct Authority that LIBOR is intended to be phased out. In all cases, we expect the alternate rates to be based on prevailing market convention for financing arrangements of an equivalent nature.

We believe, based on our projections, that our cash on hand, securities available for sale, available funds from our Warehouse Facilities and repurchase agreements (subject to amendments and extensions), and cash flow from operations are sufficient to meet our liquidity needs for the next twelve months.

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

The following table sets forth certain cash flow information for the periods presented:

Year Ended December 31,	2019	2018	2017
Cash used for loan operating activities	$ (440,192)	$ (701,623)	$ (634,110)
Cash provided by all other operating activities	169,548	61,882	60,722
Net cash used for operating activities [1]	$ (270,644)	$ (639,741)	$ (573,388)
Cash provided by loan investing activities [2]	$ 611,828	$ 865,707	$ 819,878
Cash provided by all other investing activities	41,940	13,029	178,695
Net cash provided by investing activities	$ 653,768	$ 878,736	$ 998,573
Cash used for note, certificate and secured borrowings financing [2]	$ (626,241)	$ (863,596)	$ (826,398)
Cash provided by issuance of securitization notes and certificates, credit facilities and securities sold under repurchase agreements	112,948	640,332	345,586
Cash (used for) provided by all other financing activities	(26,767)	(15,962)	6,504
Net cash used for financing activities	(540,060)	(239,226)	(474,308)
Net decrease in cash, cash equivalents and restricted cash	$ (156,936)	$ (231)	$ (49,123)

(1) Cash used for operating activities primarily includes the purchase and sale of loans held for sale by the Company.

(2) Cash provided by loan investing activities includes the purchase of and repayment of loans held for investment. Cash used for note, certificate and secured borrowings financing activities includes the issuance of notes, certificates and secured borrowings to investors and the repayment of those notes, certificates and secured borrowings. These amounts generally correspond to and offset each other.

Operating Activities. Net cash used for operating activities was $(270.6) million, $(639.7) million and $(573.4) million during the years ended December 31, 2019, 2018 and 2017, respectively. Net cash used for loan operating activities relates to proceeds from sales of loans held for sale offset by the purchase of loans held for sale. The timing of the purchases and sales of loans held for sale can vary between periods and can therefore impact the amount of cash provided by or used for operating activities. In periods where we accumulate loans held for sale that are sold in a subsequent period, cash flow from operating activities will be negatively affected. In 2018, cash provided by all other operating activities was primarily impacted by cash paid for class action and regulatory litigation costs.

Investing Activities. Net cash provided by investing activities was $653.8 million, $878.7 million and $998.6 million during the years ended December 31, 2019, 2018 and 2017, respectively. Net cash provided by loan investing activities was primarily driven by purchases of loans held for investment (under our retail program and issuance of notes) and principal receipts on those loans. Net cash provided by all other investing activities was primarily driven by purchases of securities available for sale and purchases of property, equipment and software, offset by proceeds from securities available for sale.

Financing Activities. Net cash used for financing activities was $(540.1) million, $(239.2) million and $(474.3) million during the years ended December 31, 2019, 2018 and 2017, respectively. Net cash used for financing activities was primarily driven by principal payments on and retirements of notes and certificates and principal payments on our credit facilities, offset by proceeds from our credit facilities, the issuance of notes and certificates, and proceeds from securities sold under repurchase agreements.

Capital Resources

Net capital expenditures were $50.7 million, or 7% of total net revenue, $53.0 million, or 8% of total net revenue, and $44.6 million, or 8% of total net revenue, for the years ended December 31, 2019, 2018 and 2017, respectively. Capital expenditures generally consist of internally developed software, leasehold improvements and computer equipment. Capital expenditures in 2020 are expected to be approximately $45.0 million, primarily related to costs associated with the continued development and support of our online lending marketplace platform. In the future, we expect our capital expenditures related to enhancing our platform to increase as we support the growth in our business.

Off-Balance Sheet Arrangements

At both December 31, 2019 and 2018, a total of $5.5 million in standby letters of credit were outstanding related to certain financial covenants required for our leased facilities. To date, no amounts have been drawn against the letters of credit, which renew annually and expire at various dates through July 2026.

In the ordinary course of business, we engage in other activities that are not reflected on our Consolidated Balance Sheets, generally referred to as off-balance sheet arrangements. These activities involve our Structured Program transactions with unconsolidated variable interest entities including Company-sponsored securitizations and Certificate Program transactions. These transactions are used frequently by the Company to provide a source of liquidity to finance our business and to diversify our investor base. The Company retains at least 5% of securities and residual interests from these transactions and enters into a servicing arrangement with the unconsolidated variable interest entity. We are exposed to market risk in the securitization market. We provide additional information regarding transactions with unconsolidated variable interest entities in "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 7. Securitizations and Variable Interest Entities.*"

Contingencies

Legal

For a comprehensive discussion of legal proceedings as of December 31, 2019, see "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 19. Commitments and Contingencies.*"

(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Contractual Obligations

Our principal commitments consist of obligations under our loan funding operation with WebBank and in connection with direct marketing efforts, long-term debt obligations related to our credit facilities and securities sold under repurchase agreements, operating leases for office space and contractual commitments for other support services. The following table summarizes our contractual obligations as of December 31, 2019 and the timing and effect that such commitments are expected to have on our liquidity and capital requirements in future periods:

	Less than 1 Year	1 to 3 Years	3 to 5 Years	More than 5 Years	Total
Direct mail purchase commitment [1]	$ 3,807	$ —	$ —	$ —	$ 3,807
Long-term debt obligations [2]	147,575	387,251	107	52,520	587,453
Operating lease obligations [3]	18,219	33,659	23,665	74,497	150,040
WebBank loan purchase obligation	91,338	—	—	—	91,338
Purchase obligations	8,265	8,473	208	—	16,946
Total contractual obligations [4]	$ 269,204	$ 429,383	$ 23,980	$ 127,017	$ 849,584

(1) Represents loans as of December 31, 2019, the Company could have been required to purchase resulting from direct mail marketing efforts if such loans were not otherwise invested in by investors on the platform. As of the date of this report, no loans remained without investor commitments and the Company was not required to purchase any of these loans.

(2) Amounts based on contractual maturity dates. The amounts presented in the "3 to 5 Years" and "More than 5 Years" columns above represent the Company's long-term debt obligations under repurchase agreements, which are paid down based on cash flows received from the underlying securities sold. The Company expects these long-term debt obligations to be satisfied within three years.

(3) As of December 31, 2019, the Company entered into an additional operating lease which has not yet commenced and is therefore not part of the table above nor included in the lease right-of-use asset and liability. This lease will commence when the Company obtains possession of the underlying asset, which is expected to be on April 1, 2020. The lease term is nine years and has an undiscounted future rent payment of approximately $8.7 million.

(4) The notes and certificates issued by LendingClub and the LC Trust, respectively, have been excluded from the table above because payments on those liabilities are only required to be made by us if and when we receive the related loan payments from borrowers. Our own liquidity resources are not required to make any contractual payments on the notes or certificates, except in limited instances of proven identity fraud on a related loan.

For a discussion of the Company's long-term debt obligations as of December 31, 2019, see "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 14. Debt.*" For a discussion of the Company's operating lease obligations, loan purchase obligation, loan repurchase obligations, and purchase commitments as of December 31, 2019, see "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 18. Leases*" and "*Note 19. Commitments and Contingencies.*"

Critical Accounting Estimates

Our significant accounting policies are described in "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 2. Summary of Significant Accounting Policies*" of the consolidated financial statements. We consider certain of these policies to be critical accounting policies as they require significant judgments, assumptions and estimates which we believe are critical in understanding and evaluating our reported financial results. These judgments, estimates and assumptions are inherently subjective and actual results may differ from these estimates and assumptions, and the differences could be material.

Fair Value of Loans Held for Investment, Loans Invested in by the Company, Notes and Certificates

We have elected the fair value option for loans held for investment and related notes and certificates, as well as loans invested in by the Company. We primarily use a discounted cash flow model to estimate fair value based on the present value of estimated future cash flows. This model uses both observable and unobservable inputs and reflects our best estimates of the assumptions a market participant would use to calculate fair value. The following describes the primary inputs that require significant judgment:

Expected loss rates – Expected loss rates are estimates of the principal payments that will not be repaid over the life of a loan held for investment, loan invested in by the Company, note or certificate. Expected loss rates are adjusted to reflect the expected principal recoveries on charged-off loans. Expected loss rates are primarily based on the historical performance of the loans facilitated on our platform but also incorporate discretionary adjustments based on our expectations of future credit performance.

Prepayments – Prepayments are estimates of the amount of principal payments that will occur before they are contractually required during the life of a loan held for investment, loan invested in by the Company, note or certificate. Prepayments reduce the projected principal balances, interest payments and expected time loans are outstanding. Prepayment expectations are primarily based on the historical performance of the loans facilitated on our platform but also incorporate discretionary adjustments based on our expectations of future loan performance.

Discount rates – The discount rates applied to the expected cash flows of loans held for investment and related notes and certificates, as well as loans invested in by the Company, reflect our estimates of the rates of return that investors would require when investing in financial instruments with similar risk and return characteristics. Discount rates are based on our estimate of the rate of return investors are likely to receive on new loans facilitated on our platform taking into account the purchasing price. Discount rates for aged loans are adjusted to reflect the market relationship between interest rates and remaining time to maturity.

Fair Value of Asset-backed Securities related to Structured Program Transactions

We classify asset-backed securities related to Structured Program transactions as securities available for sale. These securities are recorded at fair value and unrealized gains and losses are reported, net of taxes, in "Accumulated other comprehensive income (loss)" in the Company's Consolidated Balance Sheets unless management determines that a security is other-than-temporarily impaired (OTTI).

We estimate fair value based on the price of transactions for similar instruments if available. If market observable prices are not available, we use a discounted cash flow model to estimate fair value based on the present value of estimated future cash flows. This model uses inputs that are both observable and not observable and reflect our best estimates of the assumptions a market participant would use to calculate fair value. The following describes the primary inputs that require significant judgment:

Discount rates – The discount rates for asset-backed securities related to Structured Program transactions reflect our estimates of the rates of return that investors would require when investing in financial instruments with similar risk and return characteristics. The primary source of discount rate observations is the rate of return implied by the sales of asset-backed securities associated with new Structured Program transactions.

We also incorporate estimates of net losses and prepayments in our estimation of asset-backed securities related to Structured Program transactions. These inputs are consistent with the assumptions used in the valuation of loans held for investment and related notes and certificates, as well as loans invested in by the Company.

Fair Value of Servicing Assets

We record servicing assets at their estimated fair values when we sell loans or we assume or acquire a servicing obligation whereby the underlying loans are not included in our financial statements. The gain or loss on a loan sale is recorded separately in "Gain on sales of loans" in our Consolidated Statements of Operations while the component of the gain or loss that is based on the degree to which the contractual servicing fee is above or below an estimated market servicing rate is recorded as a servicing asset. Servicing assets are reported in "Other assets" on our Consolidated Balance Sheets. Changes in the fair value of servicing assets are reported in "Investor fees" on our Consolidated Statements of Operations in the period in which the changes occur.

We use a discounted cash flow model to estimate the fair values of loan servicing assets. The cash flows in the valuation model represent the difference between the servicing fees charged and an estimated market servicing rate. Since servicing fees are generally based on the monthly unpaid principal balance of the underlying loans, the expected cash flows in the model incorporate estimated net expected losses and expected prepayments. The significant assumptions used in valuing our servicing assets are:

Market servicing rates – We consider market servicing rates as those rates which a market participant would require to service the loans that we sell. We estimate these market servicing rates based on our review of available observable market servicing rates.

Discount rates – The discount rates for loan servicing rights reflect our estimates of the rates of return that investors in servicing rights for unsecured consumer credit obligations would require when investing in similar servicing rights. Discount rates for servicing rights on existing loans reflect a risk premium intended to reflect the amount of compensation market participants would require due to the credit and liquidity uncertainty inherent in the instruments' cash flows.

We also incorporate estimates of net losses and prepayments in our estimation of fair value of servicing assets. These inputs are consistent with the assumptions used in the valuation of loans held for investment and related notes and certificates, as well as loans invested in by the Company.

Loss Contingencies

Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities in "Accrued expenses and other liabilities" in the Company's Consolidated Balance Sheets. Associated legal expense is recorded in "Other general and administrative" expense or in "Class action and regulatory litigation expense" for the losses associated with the securities class action lawsuits, as described in "*Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 19. Commitments and Contingencies,*" in the Company's Consolidated Statements of Operations. Such liabilities and associated expenses are recorded when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. The Company will also disclose a range of exposure to incremental loss when such amounts are reasonably possible and can be estimated. In estimating the Company's exposure to loss contingencies, if an amount within the estimated range of loss is the best estimate, that amount will be accrued. However, if there is no amount within the estimated range of loss that is the best estimate, the Company will accrue the minimum amount within the range, and disclose the amount up to the high end of the range as an exposure to incremental loss, if such amount is considered reasonably possible. Such estimates are based on the best information available at the time. As additional information becomes available, we reassess the potential liability and record an adjustment to our estimate in the period in which the adjustment is probable and an amount or range can be reasonably estimated. The determination of an expected contingent liability and associated litigation expense requires the Company to make assumptions related to the outcome of these matters. Due to the inherent uncertainties of loss contingencies, our estimates may be different than the actual outcomes.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market risk represents the risk of loss that may impact our financial position due to adverse changes in market discount rates and servicing rates, interest rates and credit performance of loans. We are exposed to market risk directly through loans and securities held on our balance sheet, access to the securitization markets, investor demand for our loans, current and future debt under our credit facilities, and our servicing assets.

Market Rate Sensitivity

Market rate sensitivity refers to the risk of loss to future earnings, values or future cash flows that may result from changes in market discount rates and servicing rates.

Loans Invested in by the Company. As of December 31, 2019 and 2018, we were exposed to market rate risk on $766.0 million and $842.6 million of loans invested in by the Company at fair value, respectively, which have fixed interest rates. The fair values of loans are estimated using a discounted cash flow methodology, where the discount rate represents an estimate of the required rate of return by market participants. The discount rates for our loans may change due to expected loan performance or changes in the expected returns of similar financial instruments available in the market. Any realized or unrealized losses from market rate changes on loans invested in by the Company are recorded in earnings.

The Company's continued facilitation of loan originations depends on an active liquid market, third-party investor demand for loans and successful Structured Program transactions and loan sales. The Company could respond to disruptions in ongoing investor demand due to changes in yield expectations, availability and yield of alternative investments, and liquidity in capital markets with reductions in origination facilitations or sales of loans at discounts, thereby negatively impacting revenue.

The following table presents the impact to the fair value of loans invested in by the Company due to a hypothetical change in discount rates as of December 31, 2019 and 2018:

	Loans Invested in by the Company	
December 31,	**2019**	**2018**
Fair value	$ 766,048	$ 842,604
Discount rates		
100 basis point increase	$ (9,806)	$ (10,487)
100 basis point decrease	$ 10,014	$ 10,749

Servicing Assets. As of December 31, 2019 and 2018, we were exposed to market servicing rate risk on $89.7 million and $64.0 million of servicing assets, respectively. Our selection of the most representative market servicing rates is inherently judgmental. The following table presents the impact to the fair value of servicing assets due to a hypothetical change in the market servicing rate assumption as of December 31, 2019 and 2018:

	Servicing Assets	
December 31,	**2019**	**2018**
Fair value	$ 89,680	$ 64,006
Weighted-average market servicing rate assumption	0.66%	0.66%
Change in fair value from:		
Servicing rate increase by 10 basis points	$ (13,978)	$ (10,878)
Servicing rate decrease by 10 basis points	$ 13,979	$ 10,886

Interest Rate Sensitivity

The fair values of certain of our assets and liabilities are sensitive to changes in interest rates. Fixed rates may adversely affect market value due to a rise in interest rates, while floating rates may produce less income than expected if interest rates fall. The impact of changes in interest rates would be reduced by the fact that increases or decreases in fair values of assets would be partially offset by corresponding changes in fair values of liabilities.

Loans Invested in by the Company. As of December 31, 2019 and 2018, we were exposed to interest rate risk on $766.0 million and $842.6 million of loans invested in by the Company at fair value, respectively, which have fixed interest rates. Any realized or unrealized losses from interest rate changes are recorded in earnings. The following table presents the impact to the fair value of loans invested in by the Company due to a hypothetical change in interest rates as of December 31, 2019 and 2018:

	Loans Invested in by the Company	
December 31,	**2019**	**2018**
Fair value	$ 766,048	$ 842,604
Interest rates		
100 basis point increase	$ (9,806)	$ (9,945)
100 basis point decrease	$ 10,014	$ 10,163

Securities Available for Sale. As of December 31, 2019 and 2018, we were exposed to interest rate risk on $270.9 million and $170.5 million of securities available for sale, respectively, including $220.1 million and $116.8 million of asset-backed securities related to Structured Program transactions and $50.8 million and $53.7 million of corporate debt, certificates of deposit, other asset-backed securities, commercial paper and other securities, respectively. To manage this risk, we limit and monitor maturities, credit ratings, performance of loans underlying Structured Program transactions and concentrations within the investment portfolio. Any unrealized gains or losses resulting from such interest rate changes would only be recorded in earnings if we sold the securities prior to maturity or if the securities were considered other-than-temporarily impaired.

The following table presents the impact to the fair value of securities available for sale due to a hypothetical change in interest rates as of December 31, 2019 and 2018:

	Securities Available for Sale	
December 31,	**2019**	**2018**
Fair value	$ 270,927	$ 170,469
Interest rates		
100 basis point increase	$ (2,313)	$ (1,259)
100 basis point decrease	$ 2,301	$ 1,259

Credit Facilities and Securities Sold Under Repurchase Agreements. As of December 31, 2019 and 2018, we were exposed to interest rate risk on $387.3 million and $306.8 million of funding under the Personal Loan and Auto Loan Warehouse Credit Facilities, $60.0 million and $95.0 million of funding under the Revolving Facility, and $140.2 million and $57.0 million of funding under our repurchase agreements, respectively. Future funding activities may increase our exposure to interest rate risk, as the interest rates payable on such funding are generally tied to LIBOR.

The following table presents the impact to the annualized interest expense related to our credit facilities and securities sold under repurchase agreements due to a hypothetical change in the one-month LIBOR rate as of December 31, 2019 and 2018:

	Credit Facilities and Securities Sold Under Repurchase Agreements	
December 31,	**2019**	**2018**
Carrying value	$ 587,453	$ 458,802
One-month LIBOR		
100 basis point increase	$ 5,875	$ 4,588
100 basis point decrease	$ (5,875)	$ (4,588)

Cash and Cash Equivalents. As of December 31, 2019 and 2018, we had cash and cash equivalents of $243.8 million and $373.0 million, respectively. These amounts were held primarily in interest-bearing deposits at investment grade financial institutions, institutional money market funds, certificates of deposit, and commercial paper, which are short-term. Due to their short-term nature, we do not believe we have material exposure to changes in the fair value of these liquid investments as a result of changes in interest rates.

Credit Performance Sensitivity

Credit performance sensitivity refers to the risk of loss arising from default when borrowers are unable or unwilling to meet their financial obligations. We invest in loans and asset-backed securities (including residual interests) related to Structured Program transactions. The performance of these loans and asset-backed securities is dependent on the credit performance of loans facilitated by us. To manage this risk, we monitor borrower payment performance and how it may impact the valuation of our investments. The valuation of these investments is based on a discounted cash flow analysis and includes Level 3 assumptions. Any unrealized losses on asset-backed securities (including residual interests) are evaluated for other-than-temporary impairment and any impairment is recorded in earnings. All other unrealized gains and losses are recorded in the Company's Consolidated Statements of Comprehensive Income (Loss).

Loans Invested in by the Company. As of December 31, 2019 and 2018, we were exposed to credit performance risk on $766.0 million and $842.6 million of loans invested in by the Company at fair value, respectively, which have fixed interest rates. The following table presents the impact to the fair value of loans invested in by the Company due to a hypothetical change in credit loss rates as of December 31, 2019 and 2018:

	Loans Invested in by the Company	
December 31,	**2019**	**2018**
Fair value	$ 766,048	$ 842,604
Credit loss rates		
10 percent increase	$ (9,558)	$ (11,304)
10 percent decrease	$ 9,469	$ 11,526

Asset-backed Securities Related to Structured Program Transactions. As of December 31, 2019 and 2018, we were exposed to credit performance risk on $220.1 million and $116.8 million of asset-backed securities related to Structured Program transactions, respectively, including securities pledged as collateral. The following table presents the impact to the fair value of asset-backed securities related to Structured Program transactions due to a hypothetical change in credit loss rates as of December 31, 2019 and 2018:

	Asset-backed Securities Related to Structured Program Transactions	
December 31,	**2019**	**2018**
Fair value	$ 220,135	$ 116,768
Credit loss rates		
10 percent increase	$ (4,326)	$ (2,643)
10 percent decrease	$ 4,285	$ 2,643

Item 8. Financial Statements and Supplementary Data

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of LendingClub Corporation:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of LendingClub Corporation and subsidiaries (the "Company") as of December 31, 2019 and 2018, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2019, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 19, 2020, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Valuation of Level 3 Financial Assets and Unobservable Inputs Therein

- Securities Available for Sale – See *Note 5. Securities Available for Sale*
- Loans Held for Investment by the Company at Fair Value – See *Note 6. Loans Held for Investment, Loans Held for Sale, Notes, Certificates and Secured Borrowings*

- Loans Held for Sale by the Company at Fair Value – See *Note 6. Loans Held for Investment, Loans Held for Sale, Notes, Certificates and Secured Borrowings*
- Fair Value of Assets and Liabilities – See *Note 8. Fair Value of Assets and Liabilities*

Critical Audit Matter Description

The Company holds assets including loans held for sale by the Company, loans held for investment by the Company, asset-backed securities and asset-backed subordinated securities held in the Company's securities available for sale portfolio whose fair values are estimated by discounted cash flow models. These Level 3 assets have inputs that are unobservable in the market but reflective of the Company's assumptions about what market participants would use to price the asset. Their values are estimated using complex models that include assumptions and estimates, some of which are unobservable inputs that require significant judgment.

Auditing the models and unobservable inputs used by management to estimate the fair value of these Level 3 assets involves subjective and complex judgments.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the models and unobservable inputs used by management to estimate the fair value of these Level 3 assets included the following key procedures:

- We tested the effectiveness of controls, including those related to model validation, price calibration, discount rate, loss curves, and prepayment curves.
- We evaluated management's ability to accurately estimate fair value by comparing management's historical price calibration and projected prepayment and loss curves to actual results.
- We compared management's assumptions to external sources, including the Company's comparable market transaction data, where available.
- With the assistance of our fair value specialists, we developed independent estimates of fair values and compared our estimates to the Company's estimates.

Valuation and Disclosure of Litigation and Regulatory Matters

- Commitments and Contingencies – See *Note 19. Commitments and Contingencies*

Critical Audit Matter Description

The accrued contingent liability and associated litigation expense related to certain ongoing litigation and regulatory matters are estimated, recorded and disclosed based on the Company's expectations regarding the probability and magnitude of any expected losses. These estimates are refined as information becomes available over the course of the associated matters. The determination of an expected contingent liability and associated litigation expense requires management to make assumptions related to the outcome of these matters. Due to the inherent uncertainty involved in the assessment of the outcome, the actual loss may be different than the Company's estimates of expected loss. The Company's accrued contingent liability as of December 31, 2019 was $16.0 million, with contingent liability expense for the year ended December 31, 2019 of $3.3 million.

Auditing the probability of an unfavorable outcome and the estimate of the associated exposure involves subjective and complex judgment and careful evaluation of the facts in coordination with the Company's legal counsel as information becomes available.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to assessing the probability of outcome related to these matters and estimates of reasonably possible loss or range of loss included the following key procedures:

- We tested the effectiveness of controls over the valuation of contingent liabilities related to outstanding and anticipated litigation and regulatory matters, including the evaluation of whether such exposures are probable or reasonably possible.
- We tested the effectiveness of controls over the presentation and disclosure of litigation and regulatory matters.
- We inspected board and committee meeting materials and minutes and attended meetings with General Counsel, Executives and the Audit Committee for updates on litigation and regulatory matters.
- We sent independent third-party confirmations to external counsel and ascertained completeness of the litigation matters brought to our attention by internal counsel.
- We evaluated the reasonableness of management's estimates of loss contingencies by holding meetings with management and the Company's internal counsel, reviewing the Company's responses to regulators where applicable, and reviewing correspondence between the Company's attorneys and the plaintiffs' attorneys where applicable.
- We evaluated management's ability to estimate loss contingencies by comparing actual settlements for matters existing at the end of prior periods with their historical forecasts.
- We obtained a legal letter from the Company's internal counsel detailing the status of all material current litigation and regulatory matters commensurate with the date of our reports.

/s/ DELOITTE & TOUCHE LLP

San Francisco, California
February 19, 2020

We have served as the Company's auditor since 2013.

LENDINGCLUB CORPORATION
Consolidated Balance Sheets
(In Thousands, Except Share and Per Share Amounts)

December 31,	2019	2018
Assets		
Cash and cash equivalents	$ 243,779	$ 372,974
Restricted cash [1]	243,343	271,084
Securities available for sale (includes $174,849 and $53,611 pledged as collateral at fair value, respectively)	270,927	170,469
Loans held for investment at fair value [1]	1,079,315	1,883,251
Loans held for investment by the Company at fair value [1]	43,693	2,583
Loans held for sale by the Company at fair value [1]	722,355	840,021
Accrued interest receivable [1]	12,857	22,255
Property, equipment and software, net	114,370	113,875
Operating lease assets [2]	93,485	—
Intangible assets, net	14,549	18,048
Other assets [1]	143,668	124,967
Total assets	$ 2,982,341	$ 3,819,527
Liabilities and Equity		
Accounts payable	$ 10,855	$ 7,104
Accrued interest payable [1]	9,260	19,241
Operating lease liabilities [2]	112,344	—
Accrued expenses and other liabilities [1]	142,636	152,118
Payable to investors	97,530	149,052
Notes, certificates and secured borrowings at fair value [1]	1,081,466	1,905,875
Payable to securitization note and certificate holders (includes $40,610 and $0 at fair value, respectively) [1]	40,610	256,354
Credit facilities and securities sold under repurchase agreements [1]	587,453	458,802
Total liabilities	2,082,154	2,948,546
Equity		
Common stock, $0.01 par value; 180,000,000 shares authorized; 89,218,797 and 86,384,667 shares issued, respectively; 88,757,406 and 85,928,127 shares outstanding, respectively [3]	892	864
Additional paid-in capital [3]	1,467,882	1,405,392
Accumulated deficit	(548,472)	(517,727)
Treasury stock, at cost; 461,391 and 456,540 shares, respectively [3]	(19,550)	(19,485)
Accumulated other comprehensive income (loss)	(565)	157
Total LendingClub stockholders' equity	900,187	869,201
Noncontrolling interests	—	1,780
Total equity	900,187	870,981
Total liabilities and equity	$ 2,982,341	$ 3,819,527

[1] Includes amounts in consolidated variable interest entities (VIEs) presented separately in the table below.

[2] The Company adopted ASU 2016-02, *Leases*, as of January 1, 2019, and has elected not to restate comparative periods presented in the consolidated financial statements. For additional information, see "*Notes to Consolidated Financial Statements – Note 2. Summary of Significant Accounting Policies*" and "*Notes to Consolidated Financial Statements – Note 18. Leases.*"

[3] Prior period share information and balances have been retroactively adjusted to reflect a reverse stock split. See "*Notes to Consolidated Financial Statements – Note 4. Net Loss Per Share*" for additional information.

(In Thousands, Except Share and Per Share Amounts)

The following table presents the assets and liabilities of consolidated VIEs, which are included in the Consolidated Balance Sheets above. The assets in the table below may only be used to settle obligations of consolidated VIEs and are in excess of those obligations. Additionally, the assets and liabilities in the table below include third-party assets and liabilities of consolidated VIEs only and exclude intercompany balances that eliminate in consolidation.

December 31,	2019	2018
Assets of consolidated VIEs, included in total assets above		
Restricted cash	$ 30,046	$ 43,918
Loans held for investment at fair value	197,842	642,094
Loans held for investment by the Company at fair value	40,251	—
Loans held for sale by the Company at fair value	551,455	739,216
Accrued interest receivable	4,431	10,438
Other assets	1,359	2,498
Total assets of consolidated variable interest entities	$ 825,384	$ 1,438,164
Liabilities of consolidated VIEs, included in total liabilities above		
Accrued interest payable	$ 3,185	$ 7,594
Accrued expenses and other liabilities	244	1,627
Notes, certificates and secured borrowings at fair value	197,842	648,908
Payable to securitization note and certificate holders (includes $40,610 and $0 at fair value, respectively)	40,610	256,354
Credit facilities and securities sold under repurchase agreements	387,251	306,790
Total liabilities of consolidated variable interest entities	$ 629,132	$ 1,221,273

See Notes to Consolidated Financial Statements.

LENDINGCLUB CORPORATION
Consolidated Statements of Operations
(In Thousands, Except Share and Per Share Amounts)

Year Ended December 31,	2019	2018	2017
Net revenue:			
Transaction fees	$ 598,760	$ 526,942	$ 448,608
Interest income	345,345	487,462	611,259
Interest expense	(246,587)	(385,605)	(571,424)
Net fair value adjustments	(144,990)	(100,688)	(30,817)
Net interest income and fair value adjustments	(46,232)	1,169	9,018
Investor fees	124,532	114,883	87,108
Gain on sales of loans	67,716	45,979	23,370
Net investor revenue [1]	146,016	162,031	119,496
Other revenue	13,831	5,839	6,436
Total net revenue	758,607	694,812	574,540
Operating expenses:			
Sales and marketing	279,423	268,517	229,865
Origination and servicing	103,403	99,376	86,891
Engineering and product development	168,380	155,255	142,264
Other general and administrative	238,292	228,641	191,683
Goodwill impairment	—	35,633	—
Class action and regulatory litigation expense	—	35,500	77,250
Total operating expenses	789,498	822,922	727,953
Loss before income tax expense	(30,891)	(128,110)	(153,413)
Income tax expense (benefit)	(201)	43	632
Consolidated net loss	(30,690)	(128,153)	(154,045)
Less: Income (Loss) attributable to noncontrolling interests	55	155	(210)
LendingClub net loss	$ (30,745)	$ (128,308)	$ (153,835)
Net loss per share attributable to LendingClub: [2]			
Basic	$ (0.35)	$ (1.52)	$ (1.88)
Diluted	$ (0.35)	$ (1.52)	$ (1.88)
Weighted-average common shares – Basic [2]	87,278,596	84,583,461	81,799,189
Weighted-average common shares – Diluted [2]	87,278,596	84,583,461	81,799,189

(1) See "*Notes to Consolidated Financial Statements – Note 1. Basis of Presentation*" for additional information.

(2) All share and per share information has been retroactively adjusted to reflect a reverse stock split. See "*Notes to Consolidated Financial Statements – Note 4. Net Loss Per Share*" for additional information.

See Notes to Consolidated Financial Statements.

LENDINGCLUB CORPORATION
Consolidated Statements of Comprehensive Income (Loss)
(In Thousands)

Year Ended December 31,	2019	2018	2017
LendingClub net loss	$ (30,745)	$ (128,308)	$ (153,835)
Other comprehensive income (loss), before tax:			
Net unrealized gain (loss) on securities available for sale	(526)	252	184
Other comprehensive income (loss), before tax	(526)	252	184
Income tax effect	216	83	(591)
Other comprehensive income (loss), net of tax	(742)	169	775
Less: Other comprehensive income (loss) attributable to noncontrolling interests	(20)	7	13
LendingClub other comprehensive income (loss), net of tax	(722)	162	762
LendingClub comprehensive income (loss)	(31,467)	(128,146)	(153,073)
Comprehensive income (loss) attributable to noncontrolling interests	(20)	7	13
Total comprehensive income (loss)	$ (31,487)	$ (128,139)	$ (153,060)

See Notes to Consolidated Financial Statements.

LENDINGCLUB CORPORATION
Consolidated Statements of Changes in Stockholders' Equity
(In Thousands, Except Share Data)

	LendingClub Corporation Stockholders									
	Common Stock [1]		Additional Paid-in Capital [1]	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total LendingClub Stockholders' Equity	Noncontrolling Interests	Total Equity
	Shares	Amount		Shares	Amount					
Balance at December 31, 2016	**79,595,954**	**$ 801**	**$ 1,229,408**	**456,540**	**$(19,485)**	**$ (767)**	**$ (234,187)**	**$ 975,770**	**$ —**	**$ 975,770**
Stock-based compensation and related tax effects	—	—	81,599	—	—	—	(1,397)	80,202	—	80,202
Net issuances under equity incentive plans, net of tax	3,634,908	36	13,949	—	—	—	—	13,985	—	13,985
Employee stock purchase plan (ESPP) purchase shares	263,907	3	5,608	—	—	—	—	5,611	—	5,611
Net unrealized gain on securities available for sale, net of tax	—	—	—	—	—	762	—	762	13	775
Contribution of interests in consolidated VIE	—	—	—	—	—	—	—	—	7,722	7,722
Dividends paid and return of capital to noncontrolling interests	—	—	—	—	—	—	—	—	(2,263)	(2,263)
Net loss	—	—	—	—	—	—	(153,835)	(153,835)	(210)	(154,045)
Balance at December 31, 2017	**83,494,769**	**$ 840**	**$ 1,330,564**	**456,540**	**$(19,485)**	**$ (5)**	**$ (389,419)**	**$ 922,495**	**$ 5,262**	**$ 927,757**
Stock-based compensation and related tax effects	—	—	84,150	—	—	—	—	84,150	—	84,150
Net issuances under equity incentive plans, net of tax	2,071,518	21	(14,552)	—	—	—	—	(14,531)	—	(14,531)
ESPP purchase shares	361,840	3	5,230	—	—	—	—	5,233	—	5,233
Net unrealized gain on securities available for sale, net of tax	—	—	—	—	—	162	—	162	7	169
Dividends paid and return of capital to noncontrolling interests	—	—	—	—	—	—	—	—	(3,644)	(3,644)
Net loss	—	—	—	—	—	—	(128,308)	(128,308)	155	(128,153)
Balance at December 31, 2018	**85,928,127**	**$ 864**	**$ 1,405,392**	**456,540**	**$(19,485)**	**$ 157**	**$ (517,727)**	**$ 869,201**	**$ 1,780**	**$ 870,981**
Stock-based compensation and related tax effects	—	—	79,944	—	—	—	—	79,944	—	79,944
Net issuances under equity incentive plans, net of tax [2]	2,665,309	26	(19,864)	4,851	(65)	—	—	(19,903)	—	(19,903)
ESPP purchase shares	163,970	2	2,410	—	—	—	—	2,412	—	2,412
Net unrealized loss on securities available for sale, net of tax	—	—	—	—	—	(722)	—	(722)	(20)	(742)
Dividends paid and return of capital to noncontrolling interests	—	—	—	—	—	—	—	—	(1,815)	(1,815)
Net loss	—	—	—	—	—	—	(30,745)	(30,745)	55	(30,690)
Balance at December 31, 2019	**88,757,406**	**$ 892**	**$ 1,467,882**	**461,391**	**$(19,550)**	**$ (565)**	**$ (548,472)**	**$ 900,187**	**$ —**	**$ 900,187**

(1) All share information and balances have been retroactively adjusted to reflect a reverse stock split. See "*Notes to Consolidated Financial Statements – Note 4. Net Loss Per Share*" for additional information.

(2) Includes shares purchased by the Company in lieu of issuing fractional shares in connection with a 1-for-5 reverse stock split effective on July 5, 2019 and shares that were transferred to the Company to satisfy payment of all or a portion of the exercise price in connection with the exercise of stock options.

See Notes to Consolidated Financial Statements.

LENDINGCLUB CORPORATION
Consolidated Statements of Cash Flows
(in Thousands)

Year Ended December 31,	2019	2018	2017
Cash Flows from Operating Activities:			
Consolidated net loss	$ (30,690)	$ (128,153)	$ (154,045)
Adjustments to reconcile consolidated net loss to net cash used for operating activities:			
Net fair value adjustments	144,990	100,688	30,817
Change in fair value of loan servicing assets and liabilities	58,095	30,482	20,826
Stock-based compensation, net	73,639	75,087	70,983
Goodwill impairment charge	—	35,633	—
Depreciation and amortization	59,152	54,764	46,208
Gain on sales of loans	(67,716)	(50,421)	(38,850)
Other, net	7,483	5,471	2,744
Purchase of loans held for sale	(7,643,996)	(7,397,886)	(6,714,946)
Principal payments received on loans held for sale	265,820	210,831	54,107
Proceeds from whole loan sales and Structured Program transactions, net of underwriting fees and costs	6,937,984	6,485,432	6,026,729
Net change in operating assets and liabilities:			
Accrued interest receivable, net	(16,298)	(3,785)	6,293
Other assets	6,609	52,708	(71,205)
Accounts payable	4,158	(3,005)	(1,913)
Accrued interest payable	(9,843)	(13,372)	(10,582)
Accrued expenses and other liabilities	326	(93,424)	142,020
Change in payable to investors [(1)]	(60,357)	(791)	17,426
Net cash used for operating activities	(270,644)	(639,741)	(573,388)
Cash Flows from Investing Activities:			
Purchase of loans	(633,632)	(960,881)	(1,738,710)
Principal payments received on loans	1,191,428	1,763,348	2,397,565
Proceeds from recoveries and sales of charged-off loans	54,032	63,240	48,256
Proceeds from sales of whole loans	—	—	112,767
Purchases of securities available for sale	(144,481)	(136,445)	(139,770)
Proceeds from sales, maturities, redemptions and paydowns of securities available for sale	145,880	153,468	356,608
Proceeds from paydowns of asset-backed securities related to Structured Program transactions	90,648	47,235	6,472
Other investing activities	561	1,747	—
Purchases of property, equipment and software, net	(50,668)	(52,976)	(44,615)
Net cash provided by investing activities	653,768	878,736	998,573
Cash Flows from Financing Activities:			
Proceeds from issuance of notes and certificates	632,962	953,904	1,720,884
Proceeds from secured borrowings	—	—	280,495
Repayments of secured borrowings	(56,884)	(139,206)	(42,834)
Principal payments on and retirements of notes and certificates	(1,147,297)	(1,615,800)	(2,737,029)
Payments on notes and certificates from recoveries/sales of related charged-off loans	(55,022)	(62,494)	(47,914)
Principal payments on securitization notes	(58,025)	(45,709)	—
Proceeds from issuance of securitization notes and certificates	42,500	258,767	313,486

LENDINGCLUB CORPORATION
Consolidated Statements of Cash Flows
(in Thousands)

Year Ended December 31,	2019	2018	2017
Proceeds from credit facilities and securities sold under repurchase agreements	2,943,948	2,125,488	283,100
Principal payments on credit facilities and securities sold under repurchase agreements	(2,815,475)	(1,698,214)	(251,000)
Payment for debt issuance costs	(1,419)	(4,494)	(5,099)
Repurchases of common stock	—	—	—
Proceeds from issuances under equity incentive plans, net of tax	820	1,956	14,562
Proceeds from issuance of common stock for ESPP	2,411	5,233	5,611
Net cash inflow (outflow) from consolidation (deconsolidation) of VIE	(5,951)	(15,013)	—
Purchase of noncontrolling interests in consolidated VIE	—	—	(6,307)
Other financing activities	(22,628)	(3,644)	(2,263)
Net cash used for financing activities	(540,060)	(239,226)	(474,308)
Net Decrease in Cash, Cash Equivalents and Restricted Cash	(156,936)	(231)	(49,123)
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	644,058	644,289	693,412
Cash, Cash Equivalents and Restricted Cash, End of Period	$ 487,122	$ 644,058	$ 644,289
Supplemental Cash Flow Information:			
Cash paid for interest	$ 254,585	$ 394,459	$ 581,435
Cash paid for operating leases included in the measurement of lease liabilities	$ 16,816	$ —	$ —
Non-cash investing activity:			
Accruals for property, equipment and software	$ 1,745	$ 2,256	$ 710
Securities retained (sold) from Structured Program transactions	$ 197,267	$ 106,609	$ 54,955
Non-cash investing and financing activity:			
Transfer of whole loans to redeem certificates	$ 122,330	$ 1,095	$ 130,223
Non-cash financing activity:			
Derecognition of payable to securitization note and residual certificate holders held in consolidated VIE	$ 200,881	$ 269,151	$ —
Noncontrolling interests' contribution of beneficial interests in consolidated VIE	$ —	$ —	$ 7,722
Issuance of payable to securitization residual certificate holders	$ —	$ —	$ 1,549

(1) Change in payable to investors was previously presented as cash flows from financing activities. Prior period amounts have been reclassified to conform to the current period presentation.

The following presents cash, cash equivalents and restricted cash by category within the Consolidated Balance Sheets:

	December 31, 2019	December 31, 2018
Cash and cash equivalents	$ 243,779	$ 372,974
Restricted cash	243,343	271,084
Total cash, cash equivalents and restricted cash	$ 487,122	$ 644,058

See Notes to Consolidated Financial Statements.

1. Basis of Presentation

LendingClub Corporation (LendingClub) operates an online lending marketplace platform that connects borrowers and investors. Various wholly-owned subsidiaries of LendingClub have been established to enter into borrowing agreements with certain lenders for secured credit facilities. Additionally, LendingClub has established various entities to facilitate loan sale transactions, including sponsoring asset-backed securitization transactions and Certificate Program transactions (collectively referred to as Structured Program transactions), where certain accredited investors and qualified institutional buyers have the opportunity to invest in senior and subordinated securities backed by a pool of unsecured personal whole loans. Certificate Program transactions include CLUB Certificate and Levered Certificate transactions. LC Trust I (the LC Trust) is an independent Delaware business trust that acquires loans from LendingClub and holds them for the sole benefit of certain investors that have purchased trust certificates issued by the LC Trust that are related to specific underlying loans for the benefit of the investor. Springstone Financial, LLC (Springstone), is a wholly-owned subsidiary of LendingClub that facilitates education and patient finance loans originated by third-party issuing banks.

The accompanying consolidated financial statements include LendingClub, its subsidiaries (collectively referred to as the Company, we, or us) and consolidated variable interest entities (VIEs). Noncontrolling interests are reported as a separate component of consolidated equity from the equity attributable to LendingClub's stockholders for all periods presented. All intercompany balances and transactions have been eliminated. These consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for financial information and, in the opinion of management, contain all adjustments, consisting of only normal recurring adjustments, necessary for the fair statement of the results and financial position for the periods presented. These accounting principles require management to make certain estimates and assumptions that affect the amounts in the accompanying financial statements. These estimates and assumptions are inherently subjective in nature and actual results may differ from these estimates and assumptions, and the differences could be material. Certain prior-period amounts have been reclassified to conform to the current period presentation.

A 1-for-5 reverse stock split of the Company's common stock became effective on July 5, 2019. As a result, prior period share and per share amounts presented in the accompanying consolidated financial statements and these related notes were retroactively adjusted accordingly. See "*Note 4. Net Loss Per Share*" for additional information.

In the fourth quarter of 2019, the Company presented operating lease assets and operating lease liabilities separately from "Other assets" and "Accrued expenses and other liabilities," respectively, on its Consolidated Balance Sheets. In the first quarter of 2019, the Company presented a new sub-total caption called "Net investor revenue" on its Condensed Consolidated Statements of Operations and also reordered the presentation of certain of its existing captions. The Company believes this new presentation allows shareholders a view of net investor revenue and our capital markets activity, which includes net interest income and fair value adjustments of loans and securities available for sale, gain on sales of loans invested in by the Company and investor fees from servicing of loans. These changes in presentation had no impact on prior period amounts presented.

The Company presents loans under a number of different captions to align the assets to their associated liabilities, if any. "Loans held for investment at fair value" are loans which are related to the Company's retail notes, certificates and secured borrowings program. The Company is not exposed to market risk, interest rate risk or credit risk on these loans and all loan cash flows flow directly to the retail note, certificate and secured borrowing owners. The associated liability for this loan category is included in the caption "Notes, certificates and secured borrowings at fair value." Loans included in "Loans held for investment by the Company at fair value" and "Loans held for sale by the Company at fair value" are loans which the Company has purchased and from which the Company earns interest income and records net fair value adjustments in earnings for changes in the valuation of loans.

2. Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents include the Company's unrestricted deposits with investment-grade financial institutions, institutional money market funds, certificates of deposit, and commercial paper. The Company considers all highly liquid investments with stated maturity dates of three months or less from the date of purchase to be cash equivalents.

Restricted Cash

Restricted cash consists primarily of bank deposits and money market funds that are: (i) pledged as security for transactions processed on or related to LendingClub's platform or activities by certain investors; and (ii) received from the borrower and applied to the loan, but not yet distributed to the investor's internal platform account or sent to their external account.

Investor cash balances (excluding transactions-in-process) are held in segregated bank or custodial accounts and are not commingled with the Company's monies or held on the Company's Consolidated Balance Sheets.

Securities Available for Sale

Debt securities that the Company might not hold until maturity are classified as securities available for sale. In structured program transactions that meet the applicable criteria to be accounted for as a sale, the Company retains certain asset-backed securities including subordinated residual interests and CLUB Certificates, which are classified as securities available for sale. Securities available for sale are recorded at fair value and unrealized gains and losses are reported, net of taxes, in "Accumulated other comprehensive income (loss)" included in Equity in the Company's Consolidated Balance Sheets unless management determines that a security is other-than-temporarily impaired (OTTI). Realized gains and losses from sales of securities available for sale are included in "Net fair value adjustments" in the Company's Consolidated Statements of Operations.

Management evaluates whether debt securities available for sale with unrealized losses are OTTI on a quarterly basis. If the Company intends to sell the security, or if it is more likely than not that it will be required to sell the security before recovery, an OTTI is recognized in earnings equal to the entire difference between the amortized cost basis and fair value of the debt security. However, even if the Company does not expect to sell a debt security it must evaluate the expected cash flows to be received and determine if a credit loss exists. In the event of a credit loss, only the amount of impairment associated with the credit loss is recognized in earnings and amounts related to factors other than credit losses are recorded in other comprehensive income. Impairment charges are recorded in "Net fair value adjustments" in the Company's Consolidated Statements of Operations.

Loans Held for Investment by the Company and Loans Held for Sale by the Company

The Company has elected the fair value option for loans held for investment by the Company and loans held for sale by the Company. Changes in the fair value of loans held by the Company are recorded in "Net fair value adjustments" in the Consolidated Statements of Operations in the period of the fair value changes. The Company places loans held by the Company on non-accrual status at 90 days past due. Accrued interest income on loans held by the Company is calculated based on the contractual interest rate of the loan held by the Company and recorded as interest income as earned. When a loan held by the Company is placed on non-accrual status, the Company stops accruing interest and reverses all accrued but unpaid interest as of such date. The Company charges-off loans held by the Company no later than 120 days past due.

Loans Held for Investment and Related Notes and Certificates

The Company has elected the fair value option for loans held for investment and related notes and certificates. Due to the payment dependent feature of the notes and certificates, changes in the fair value of the notes and certificates are offset by changes in the fair values of related loans, resulting in no net effect on the Company's earnings. The Company places loans held for investment on non-accrual status at 90 days past due. Interest receivable on loans held for investment and accrued interest payable on notes and certificates are reduced when the corresponding loan held for investment is placed on non-accrual status due to the payment dependent nature of the loans held for investment and related notes and certificates. The Company charges-off loans held for investment and related notes and certificates no later than 120 days past due.

Servicing Assets

The Company records servicing assets at their estimated fair values when it sells loans or when the Company assumes or acquires a servicing obligation whereby the underlying loans are not included in its financial statements. The gain or loss on a loan sale is recorded separately in "Gain on sales of loans" in the Company's Consolidated Statements of Operations while the component of the gain or loss that is based on the degree to which the contractual servicing fee is above or below an estimated market servicing rate is recorded as a servicing asset. Servicing assets are reported in "Other assets" on the Company's Consolidated Balance Sheets. Changes in the fair value of servicing assets are reported in "Investor fees" in the Company's Consolidated Statements of Operations in the period in which the changes occur.

Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell a financial asset or paid to transfer a financial liability in an orderly transaction between market participants at the measurement date (an exit price). The Company uses fair value measurements in its fair value disclosures and to record securities available for sale, loans held for investment and loans held for sale, notes and certificates, and servicing assets and liabilities at fair value on a recurring basis.

The fair value hierarchy includes a three-level classification, which is based on whether the inputs to the valuation methodology used for measurement are observable:

Level 1 — Quoted market prices in active markets for identical assets or liabilities.

Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 — Unobservable inputs.

When developing fair value measurements, the Company maximizes the use of observable inputs and minimizes the use of unobservable inputs. However, for certain instruments the Company must utilize unobservable inputs in determining fair value due to the lack of observable inputs in the market, which requires greater judgment in measuring fair value. In instances where there is limited or no observable market data, fair value measurements for assets and liabilities are based primarily upon the Company's own estimates, and the measurements reflect information and assumptions that management believes a market participant would use in pricing the asset or liability.

Loans held for investment, loans held for sale and related notes, certificates and secured borrowings, are measured at estimated fair value using a discounted cash flow model. The fair valuation methodology considers projected prepayments, underwriting changes and the historical actual defaults, losses and recoveries on the Company's loans to project future losses and net cash flows on loans. Net cash flows on loans are discounted using an estimate of market rates of return.

Loan servicing assets are measured at estimated fair value using a discounted cash flow model. The cash flows in the valuation model represent the difference between the contractual servicing fees charged to investors and an estimated market servicing rate. Since contractual servicing fees are generally based on the monthly unpaid principal balance of the underlying loans, the expected cash flows in the model incorporate estimates of net expected losses and prepayments.

The Company uses prices obtained from third-party pricing services to measure the fair value of securities available for sale when available. The Company compares the prices obtained from its primary independent pricing service to the prices obtained from the additional independent pricing services to determine if the price obtained from the primary independent pricing service is reasonable. When third-party pricing services are not available for a security, such as subordinated residual certificates and CLUB Certificates, the Company measures the fair value of these securities using a discounted cash flow model incorporating inputs consistent with loans held for investment, loans held for sale and related notes, certificates, secured borrowings, and payable to securitization note and certificate holders.

Property, Equipment and Software, net

Property, equipment and software are carried at cost less accumulated depreciation and amortization. The Company uses the straight-line method of depreciation and amortization. Estimated useful lives range from three years to five years for furniture and fixtures, computer equipment, and software. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life.

Internally developed software is capitalized when preliminary development efforts are successfully completed and it is probable that the project will be completed, and the software will be used as intended. Capitalized costs consist of salaries and compensation costs for employees, fees paid to third-party consultants who are directly involved in development efforts, and costs incurred for upgrades and enhancements to add functionality of the software. Other costs are expensed as incurred.

The Company evaluates impairments of its property, equipment and software whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. If the asset is not recoverable, measurement of an impairment loss is based on the fair value of the asset. When an impairment loss is recognized, the carrying amount of the asset is reduced to its estimated fair value.

Goodwill and Intangible Assets

Goodwill represents the fair value of an acquired business in excess of the aggregate fair value of the identified net assets acquired. Goodwill is not amortized but is tested for impairment annually or more frequently whenever events or circumstances indicate that it is more likely than not that the estimated fair value of a reporting unit is below its carrying value. The Company's annual impairment testing date is April 1. Impairment exists whenever the carrying value of goodwill exceeds its estimated fair value. Adverse changes in impairment indicators such as loss of key personnel, lower than forecast financial performance, increased competition, increased regulatory oversight, or unplanned changes in operations could result in impairment.

The Company can elect to qualitatively assess goodwill for impairment if it is more likely than not that the estimated fair value of a reporting unit (generally defined as an operating segment or one level below an operating segment for which financial information is available and reviewed regularly by management) exceeds its carrying value. A qualitative assessment may consider macroeconomic and other industry-specific factors, such as trends in short-term and long-term interest rates and the ability to access capital or company-specific factors, such as market capitalization in excess of net assets, trends in revenue-generating activities and merger or acquisition activity.

If the Company does not qualitatively assess goodwill it compares a reporting unit's estimated fair value to its carrying value. The Company estimates the fair value of a reporting unit using either an income approach (discounted cash flow model) or the income approach corroborated by a market approach. Goodwill impairment loss is measured as the amount by which the carrying amount of a reporting unit exceeds its fair value.

When applying the income approach, the Company uses a discounted cash flow model, which requires the estimation of cash flows and an appropriate discount rate. The Company projects cash flows expected to be generated by a reporting unit inclusive of an estimated terminal value. The discount rate assumption contemplates a weighted-average cost of capital based on both market observable and company-specific factors. The discount rate is risk-adjusted to include any premiums related to equity price volatility, size, and projected capital structure of publicly traded companies in similar lines of business.

The Company relies on several assumptions when estimating the fair value of a reporting unit using the discounted cash flow method. These assumptions include the current discount rate discussed above, as well as transaction fee revenue based on projected loan origination growth and revenue growth, projected operating expenses and Contribution Margin, direct and allocated general and administrative and technology expenses, capital expenditures and income taxes. The Company believes these assumptions to be representative of assumptions that a market participant would use in valuing a reporting unit, but these assumptions involve the use of estimates and judgments, particularly related to future cash flows, which are inherently uncertain. There can be no assurances that estimates and assumptions made for purposes of goodwill impairment testing will prove accurate predictions of the future.

The market approach estimates the fair value of a reporting unit based on certain market value multiples of publicly traded companies in similar lines of business, such as total enterprise value to revenue, or to EBITDA. Under the market approach, the Company also considers fair value implied from any relevant and comparable market transactions.

Goodwill impairment loss is measured as the amount by which the carrying amount of a reporting unit exceeds its fair value. See "*Note 11. Intangible Assets and Goodwill*" for additional information.

Intangible assets are amortized over their useful lives in a manner that best reflects their economic benefit, which may include straight-line or accelerated methods of amortization. Intangible assets are reviewed for impairment quarterly and whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. The Company does not have indefinite-lived intangible assets.

Loss Contingencies

Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities in "Accrued expenses and other liabilities" in the Company's Consolidated Balance Sheets. Associated legal expense is recorded in "Other general and administrative" expense or in "Class action and regulatory litigation expense" for the losses associated with the securities class action lawsuits, as described in "*Note 19. Commitments and Contingencies,*" in the Company's Consolidated Statements of Operations. Such liabilities and associated expenses are recorded when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. The Company will also disclose a range of exposure to incremental loss when such amounts are reasonably possible and can be estimated. In estimating the Company's exposure to loss contingencies, if an amount within the estimated range of loss is the best estimate, that amount will be accrued. However, if there is no amount within the estimated range of loss that is the best estimate, the Company will accrue the minimum amount within the range, and disclose the amount up to the high end of the range as an exposure to incremental loss, if such amount is considered reasonably possible. Such estimates are based on the best information available at the time. As additional information becomes available, the Company reassesses the potential liability and records an adjustment to its estimate in the period in which the adjustment is probable and an amount or range can be reasonably estimated. The determination of an expected contingent liability and associated litigation expense requires the

Company to make assumptions related to the outcome of these matters. Due to the inherent uncertainties of loss contingencies, the Company's estimates may be different than the actual outcomes. Legal fees, including legal fees associated with loss contingencies, are recognized as incurred and included in "Other general and administrative" expense in the Company's Consolidated Statements of Operations.

Insurance Recoveries

Insurance recoveries of all or a portion of incurred losses are recognized when realization of the claim for recovery is probable. Any insurance recoveries in excess of losses incurred are accounted for as a gain contingency. Insurance recoveries are recorded in "Other assets" in the Company's Consolidated Balance Sheets. Insurance recoveries associated with the reimbursement of legal expenses arising from loss contingencies and legal fees are recorded as a contra-expense in "Other general and administrative" expense or, if such recoveries are associated with the securities class action lawsuits, as a contra-expense in "Class action and regulatory litigation expense" in the Company's Consolidated Statements of Operations.

Revenue Recognition

Transaction Fees*:* The Company has a single performance obligation to provide customers access to the Company's platform. Transaction fees are considered revenue from contracts with customers, including issuing banks and education and patient service providers. The Company recognizes transaction fee revenue each time a loan is facilitated by the Company, who provides loan application processing and loan facilitation services, resulting in a loan issued by the customers.

Transaction fees are based on the initial principal amount of the loans facilitated by the Company and paid by the issuing banks and education and patient service providers each time a loan is issued by the issuing banks. Transaction fees to which the Company expects to be entitled are variable consideration because loan volume originated over the contractual term is not known at the contract's inception. The transaction fee is determined each time a loan is issued based on that loan's initial principal amount.

The Company pays WebBank a loan trailing fee to give WebBank an ongoing financial interest in the performance of the loans it originates and sells to the Company. The Loan Trailing Fee is paid over time based on the amount and timing of principal and interest payments made by borrowers of the underlying loans. The Loan Trailing Fee is consideration payable to WebBank and the loan trailing fee liability is recorded at fair value. Additionally, the Company assumes the issuing bank's obligation under Utah law to refund the pro-rated amount of the transaction fee in excess of 5% in the event the borrower prepays the loan in full before maturity. Both the loan trailing fees and transaction fee refunds are recorded as a reduction of transaction fee revenue in the Company's Consolidated Statements of Operations and are included in "Accrued expenses and other liabilities" on the Company's Consolidated Balance Sheets.

Other Revenue*:* Other revenue primarily consists of referral fee revenue and sublease revenue from our sublet office space in San Francisco, California. The Company is entitled to receive referral fees from third-party companies when customers referred by the Company consider or purchase products or services from such third-party companies. Referral contracts contain a single performance obligation. The Company recognizes referral fees for each distinct instance when the criteria for receiving the referral fee has been satisfied. Sublease revenue is recognized on a straight-line basis over the term of the lease.

Stock-based Compensation

Stock-based compensation includes expense associated with restricted stock units (RSUs) and performance-based restricted stock units (PBRSUs), stock options, and the Company's employee stock purchase plan (ESPP), as well as expense associated with stock issued related to acquisitions. Stock-based compensation expense is based on the

grant date fair value of the award. The cost is generally recognized over the vesting period on a straight-line basis. Forfeitures are recognized as incurred.

Income Taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that it believes these assets are more likely than not to be realized. In making such a determination, the Company considers the available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts that are more likely than not expected to be realized. If the Company determines that it is able to realize its deferred tax assets in the future in excess of the net recorded amount, the Company decreases the deferred tax asset valuation allowance, which reduces the provision for income taxes.

Uncertain tax positions are recognized only when we believe it is more likely than not that the tax position will be upheld on examination by the taxing authorities based on the merits of the position. The Company recognizes interest and penalties, if any, related to uncertain tax positions in “Income tax expense (benefit)” in the Consolidated Statements of Operations.

Net Income (Loss) Per Share

Basic net income (loss) per share (Basic EPS) attributable to common stockholders is computed by dividing net income (loss) attributable to LendingClub by the weighted-average number of shares of common stock outstanding during the period. Diluted net income (loss) per share (Diluted EPS) is computed by dividing net income (loss) attributable to LendingClub by the weighted-average number of shares of common stock outstanding during the period, adjusted for the effects of dilutive shares of common stock, which include incremental shares issued for RSUs, PBRSUs, and stock options. PBRSUs are included in dilutive shares to the extent the pre-established targets have been or are estimated to be satisfied as of the reporting date. The dilutive potential common shares are computed using the treasury stock method. The effects of outstanding RSUs, PBRSUs, and stock options are excluded from the computation of Diluted EPS in periods in which the effect would be antidilutive.

Consolidation of Variable Interest Entities

A variable interest entity (VIE) is a legal entity that has either a total equity investment that is insufficient to finance its activities without additional subordinated financial support or whose equity investors lack the characteristics of a controlling financial interest. The Company’s variable interest arises from contractual, ownership or other monetary interests in the entity, which change with fluctuations in the fair value of the entity’s net assets. A VIE is consolidated by its primary beneficiary, the party that has both the power to direct the activities that most significantly impact the VIE’s economic performance, and the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. The Company consolidates a VIE when it is deemed to be the primary beneficiary. The Company assesses whether or not it is the primary beneficiary of a VIE on an ongoing basis.

Transfers of Financial Assets

The Company accounts for transfers of financial assets as sales when it has surrendered control over the transferred assets. Control is generally considered to have been surrendered when the transferred assets have been legally isolated from the Company, the transferee has the right to pledge or exchange the assets without any significant constraints, and the Company has not entered into a repurchase agreement, does not hold unconditional call options and has not written put options on the transferred assets. In assessing whether control has been surrendered, the Company considers whether the transferee would be a consolidated affiliate and the impact of all arrangements or agreements made contemporaneously with, or in contemplation of the transfer, even if they were not entered into at the time of transfer. The Company measures gain or loss on sale of financial assets as the net proceeds received on the sale less the carrying amount of the loans sold. The net proceeds of the sale represent the fair value of any assets obtained or liabilities incurred as part of the transaction, including, but not limited to servicing assets, retained securities, and recourse obligations.

Transfers of financial assets that do not qualify for sale accounting are reported as secured borrowings. Accordingly, the related assets remain on the Company's Consolidated Balance Sheets and continue to be reported and accounted for as if the transfer had not occurred. Cash proceeds from these transfers are reported as liabilities, with related interest expense recognized over the life of the related assets.

Adoption of New Accounting Standards

The Company adopted the following accounting standards during the year ended December 31, 2019:

Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842),* requires lessees to record on their balance sheets a lease liability for the obligation to make lease payments and a right-of-use (ROU) asset for the right to use the underlying asset for the lease term. The Company adopted Topic 842 as of January 1, 2019 and has elected not to restate comparative periods presented in the consolidated financial statements. The Company has chosen not to elect the practical expedients permitted under the transition guidance within the new standard, which among other things, permits entities to carry forward their historical lease identification. The Company has made an accounting policy election to not recognize lease liabilities and ROU assets for short-term leases, which are leases with initial terms of 12 months or less and for which there is not a purchase option that is reasonably certain to be exercised. All leases within the Company's portfolio are classified as operating leases.

Adoption of Topic 842 had an impact on the Company's Consolidated Balance Sheets but did not have an impact on the Company's Consolidated Statements of Operations or Consolidated Statements of Cash Flows. The most significant impact was the recognition of ROU assets and lease liabilities of $95.2 million and $110.1 million at the time of adoption, respectively, with no cumulative effect in retained earnings. The difference between the ROU assets and lease liabilities is the unamortized balance of deferred rent, which prior to January 1, 2019, was included as a separate liability within Accrued expenses and other liabilities. The operating lease expenses are included in Other general and administrative expense and sublease income is recorded in Other revenue in the Company's Consolidated Statements of Operations. The Company included the disclosures required by ASU 2016-02 in "*Note 18. Leases*."

In July 2019, the Financial Accounting Standards Board (FASB) issued ASU 2019-07, *Codification Updates to SEC Sections*. The ASU clarifies and/or improves the disclosure and presentation requirements of a variety of codification topics by aligning them with the Securities and Exchange Commission's regulations, thereby eliminating redundancies and making the codification easier to apply. This ASU became effective upon issuance and did not have a significant impact on the Company's consolidated financial statements and related disclosures.

New Accounting Standards Not Yet Adopted

In June 2016, the FASB amended guidance related to impairment of financial instruments as part of ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which became effective on January 1, 2020. For loans accounted for at amortized cost, the guidance replaces the incurred loss impairment methodology with an expected credit loss model for which a company recognizes an allowance based on the estimate of expected credit loss. Because the Company has elected the fair value option for loans and loans accounted for at fair value through net income are outside the scope of Topic 326, the Company expects no impact on its loan portfolios upon adoption. For accrued interest receivable related to such loans, the Company has made an accounting policy election not to measure an allowance for credit losses on accrued interest receivable as the Company writes off uncollectible accrued interest receivable in a timely manner. Uncollectible accrued interest receivable amounts are written off to interest income.

For debt securities available for sale, Topic 326 requires recognition of expected credit losses by recognizing an allowance for credit losses when the fair value of the security is below amortized cost and the recognition of this allowance is limited to the difference between the security's amortized cost basis and fair value. The standard eliminates the existing guidance for purchased credit impaired assets but requires an allowance for purchased financial assets with more than insignificant deterioration since origination. The measurement guidance for purchased financial assets with credit deterioration also applies to beneficial interests classified as available for sale where there is a significant difference between contractual and expected cash flows at the date of recognition.

Upon adoption, the amendments in Topic 326 will be recognized through a cumulative-effect adjustment to retained earnings, except for debt securities with prior other-than-temporary impairment whereby Topic 326 is applied prospectively. The Company made substantial progress in line with the established project plan and determined there was not a transition adjustment upon adoption of the standard on January 1, 2020. The targeted amendments to the debt securities available for sale impairment model do not have a material impact on the Company's financial position, results of operations, cash flows, and disclosures for transition securities; the Company is still evaluating the impact for new securities acquired on and after January 1, 2020.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements on fair value measurements by removing, modifying, or adding certain disclosures. The ASU eliminates such disclosures as the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy and valuation processes for Level 3 fair value measurements. The ASU adds new disclosure requirements for Level 3 measurements. The new guidance became effective on January 1, 2020. The Company is finalizing the impact this ASU will have on its disclosures and does not expect such adoption to have a material impact.

In August 2018, the FASB issued ASU 2018-15, *Intangibles – Goodwill and Other – Internal-Use Software – (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*, which requires a customer in a hosting arrangement that is a service contract to follow the internal-use software guidance in ASC 350-40 to determine which implementation costs to capitalize as assets or expense as incurred. The standard became effective on January 1, 2020 and the Company adopted the standard using the prospective approach. The Company has reviewed existing cloud computing arrangements and determined which ones are service contracts. Implementation costs that are not from internal developers related to service contracts that satisfy the criteria for capitalization under ASC 350-40 will be presented with "Other assets" on the Company's Consolidated Balance Sheets, amortization expense will be presented in the same line on the income statement as the fees for the associated hosted service on the Company's Consolidated Statements of Operations, and the cash flows will be presented consistent with the presentation of cash flows for the fees related to the hosted service, generally as cash flows from operations, on the Company's Consolidated Statements of Cash Flows. The Company does not expect such adoption will have a material impact on its financial position, results of operations or cash flows.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, which is part of the FASB's initiative to reduce complexity in accounting standards. The proposed ASU eliminates certain exceptions to the general principles of ASC 740, *Income Taxes*, and simplifies income tax accounting in several areas. The standard is effective on January 1, 2021 with early adoption permitted. The Company plans to adopt early for the interim period ending March 31, 2020. The Company is evaluating the impact this ASU will have on its financial position, results of operations, cash flows, and disclosures, but does not expect such adoption to have a material impact.

3. Revenue from Contracts with Customers

The Company's revenue from contracts with customers includes transaction fees and referral fees. Referral fees are presented as a component of "Other revenue" in the Consolidated Statements of Operations.

The following table presents the Company's revenue from contracts with customers, disaggregated by revenue source for services transferred over time, for the years ended December 31, 2019 and 2018:

Year Ended December 31,	2019	2018
Transaction fees	$ 598,760	$ 526,942
Referral fees	5,474	3,645
Total revenue from contracts with customers	$ 604,234	$ 530,587

The Company recognizes transaction and referral fees at each distinct instance after the Company satisfies its performance obligations. The Company had no bad debt expense for the years ended December 31, 2019 and 2018. Because revenue is recognized at the same time that payments are received, the Company had no contract assets, contract liabilities, or deferred contract costs recorded as of December 31, 2019 and 2018. Additionally, the Company did not recognize any revenue from performance obligations related to prior periods (for example, due to changes in transaction price) for the years ended December 31, 2019 and 2018. For additional detail on the Company's accounting policy regarding revenue recognition, see "*Note 2. Summary of Significant Accounting Policies*" above.

4. Net Loss Per Share

The following table details the computation of the Company's basic and diluted net loss per share:

Year Ended December 31,	2019	2018	2017
LendingClub net loss	$ (30,745)	$ (128,308)	$ (153,835)
Weighted-average common shares – Basic [1]	87,278,596	84,583,461	81,799,189
Weighted-average common shares – Diluted [1]	87,278,596	84,583,461	81,799,189
Net loss per share attributable to LendingClub: [1]			
Basic	$ (0.35)	$ (1.52)	$ (1.88)
Diluted	$ (0.35)	$ (1.52)	$ (1.88)

[1] All share and per share information has been retroactively adjusted to reflect the reverse stock split discussed below.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

The following table summarizes the weighted-average common shares that were excluded from the Company's diluted net loss per share computation because their effect would have been anti-dilutive for the periods presented:

Year Ended December 31,	2019	2018	2017
Stock options	455,627	893,425	1,176,534
RSUs and PBRSUs	59,812	63,959	10,363
Total [(1)]	515,439	957,384	1,186,897

(1) All share information has been retroactively adjusted to reflect the reverse stock split discussed below.

A 1-for-5 reverse stock split of the Company's common stock became effective on July 5, 2019 (the Reverse Stock Split). All share and per share information contained in these consolidated financial statements has been retroactively adjusted to reflect the Reverse Stock Split. The par value per share of the Company's common stock was not adjusted as a result of the Reverse Stock Split. Accordingly, the change in total par value was recorded in additional paid-in capital and has been retroactively adjusted for all periods in these consolidated financial statements.

5. Securities Available for Sale

The Company's Structured Program transactions include i) asset-backed securitization transactions and ii) Certificate Program transactions. Certificate Program transactions include CLUB Certificate and Levered Certificate transactions.

In connection with asset-backed securitizations, the Company is the sponsor and establishes trusts to ultimately purchase the unsecured personal loans from the Company and/or third-party whole loan investors. Securities issued from our asset-backed securitizations are senior or subordinated based on the waterfall criteria of loan payments to each security class. The subordinated residual interests issued from these transactions are first to absorb credit losses in accordance with the waterfall criteria. The assets are transferred into a trust such that the assets are legally isolated from the creditors of the Company and are not available to satisfy obligations of the Company. These assets can only be used to settle obligations of the underlying trusts. The asset-backed securitization senior securities and subordinated residual interests retained by the Company are presented as "Asset-backed senior securities" and "Asset-backed subordinated securities," respectively, in the securities available for sale tables below.

In addition, the Company sponsors the sale of unsecured personal loans through the issuance of certificate securities under our Certificate Program. The certificate securities are collateralized by loans transferred to a series of a master trust and trade in the over-the-counter market with a CUSIP. The assets are transferred into a trust such that the assets are legally isolated from the creditors of the Company and are not available to satisfy obligations of the Company. These assets can only be used to settle obligations of the underlying Certificate Program trusts. The CLUB Certificate issued securities are pass-through securities of which each owner has an undivided and equal interest in the underlying loans of each transaction. The Levered Certificate issued securities include senior and subordinated securities based on the waterfall criteria of loan payments to each security class. The subordinated securities issued from these transactions are first to absorb credit losses in accordance with the waterfall criteria. The CLUB Certificate issued securities retained by the Company are presented as "CLUB Certificate asset-backed securities" in the securities available for sale tables below.

The Levered Certificate issued senior and subordinated securities retained by the Company are presented in aggregate with securities from asset-backed securitizations as "Asset-backed senior securities" and "Asset-backed subordinated securities," respectively, in the tables below. The "Other asset-backed securities" caption in the tables below primarily includes investment-grade rated bonds that are collateralized by automobile loan receivables.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

The amortized cost, gross unrealized gains and losses, and fair value of securities available for sale as of December 31, 2019 and 2018, were as follows:

December 31, 2019	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Asset-backed senior securities [1]	$ 108,780	$ 597	$ (38)	$ 109,339
CLUB Certificate asset-backed securities [1]	90,728	41	(1,063)	89,706
Asset-backed subordinated securities [1]	20,888	423	(221)	21,090
Corporate debt securities	14,333	11	(1)	14,343
Certificates of deposit	13,100	—	—	13,100
Other asset-backed securities	12,075	6	(1)	12,080
Commercial paper	9,274	—	—	9,274
U.S. agency securities	1,995	—	—	1,995
Total securities available for sale [2]	$ 271,173	$ 1,078	$ (1,324)	$ 270,927

December 31, 2018	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Asset-backed senior securities [1][2]	$ 56,363	$ 188	$ (62)	$ 56,489
CLUB Certificate asset-backed securities [1]	48,505	150	(225)	48,430
Corporate debt securities	17,339	1	(12)	17,328
Certificates of deposit	14,929	—	—	14,929
Asset-backed subordinated securities [1]	11,602	249	(2)	11,849
Other asset-backed securities	11,232	—	(7)	11,225
Commercial paper	9,720	—	—	9,720
Other securities	499	—	—	499
Total securities available for sale	$ 170,189	$ 588	$ (308)	$ 170,469

[1] As of December 31, 2019 and 2018, $219.0 million and $115.1 million, respectively, of the asset-backed securities related to Structured Program transactions at fair value are subject to restrictions on transfer pursuant to the Company's obligations as a "sponsor" under the U.S. Risk Retention Rules (as more fully described in "*Part I – Item 1A. Risk Factors – Risk retention rules may increase our compliance costs, impair our liquidity and otherwise adversely affect our operating results.*")

[2] As of December 31, 2019 and 2018, includes $174.8 million and $53.6 million, respectively, of securities pledged as collateral at fair value.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

A summary of securities available for sale with unrealized losses as of December 31, 2019 and 2018, aggregated by period of continuous unrealized loss, is as follows:

	Less than 12 months		12 months or longer		Total	
December 31, 2019	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Asset-backed securities related to Structured Program transactions	$ 91,350	$ (1,287)	$ 1,875	$ (35)	$ 93,225	$ (1,322)
Corporate debt securities	4,613	(1)	—	—	4,613	(1)
Other asset-backed securities	3,062	(1)	—	—	3,062	(1)
Total securities with unrealized losses [1]	$ 99,025	$ (1,289)	$ 1,875	$ (35)	$ 100,900	$ (1,324)

	Less than 12 months		12 months or longer		Total	
December 31, 2018	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Asset-backed securities related to Structured Program transactions	$ 49,047	$ (285)	$ 1,745	$ (4)	$ 50,792	$ (289)
Corporate debt securities	14,538	(12)	—	—	14,538	(12)
Other asset-backed securities	11,208	(7)	—	—	11,208	(7)
Total securities with unrealized losses [1]	$ 74,793	$ (304)	$ 1,745	$ (4)	$ 76,538	$ (308)

[1] The number of investment positions with unrealized losses at December 31, 2019 and 2018 totaled 70 and 56, respectively.

During the years ended December 31, 2019, 2018 and 2017, the Company recognized $3.6 million, $3.0 million and $1.5 million, respectively, in other-than-temporary impairment charges on its asset-backed securities related to Structured Program transactions. There were no credit losses recognized into earnings for other-than-temporarily impaired securities held by the Company during the years ended December 31, 2019, 2018 and 2017 for which a portion of the impairment was previously recognized in other comprehensive income.

The contractual maturities of securities available for sale at December 31, 2019, were as follows:

	Amortized Cost	Fair Value
Within 1 year:		
Corporate debt securities	$ 14,333	$ 14,343
Certificates of deposit	13,100	13,100
Other asset-backed securities	7,756	7,758
Commercial paper	9,274	9,274
U.S. agency securities	1,995	1,995
Total	46,458	46,470
After 1 year through 5 years:		
Other asset-backed securities	4,319	4,322
Total	4,319	4,322
Asset-backed securities related to Structured Program transactions	220,396	220,135
Total securities available for sale	$ 271,173	$ 270,927

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

During the years ended December 31, 2019, 2018 and 2017, the Company, Consumer Loan Underlying Bond Depositor LLC (Depositor), a subsidiary of the Company, and a majority-owned affiliate (MOA) of the Company sold a combined $4.5 billion, $2.0 billion and $831.1 million, respectively, in asset-backed securities related to Structured Program transactions. There were no realized gains or losses related to such sales. For further information see "*Note 7. Securitizations and Variable Interest Entities.*" Proceeds and gross realized gains and losses from other sales of securities available for sale were as follows:

Year Ended December 31,	2019	2018	2017
Proceeds	$ 12,548	$ 497	$ 125,522
Gross realized gains	$ 9	$ 1	$ 196
Gross realized losses	$ (1)	$ (3)	$ (26)

6. Loans Held for Investment, Loans Held for Sale, Notes, Certificates and Secured Borrowings

Loans Held for Investment, Notes, Certificates and Secured Borrowings

The Company issues member payment dependent notes and the LC Trust issues certificates as a means to allow investors to invest in the corresponding loans. At December 31, 2019 and 2018, loans held for investment, notes, certificates and secured borrowings measured at fair value on a recurring basis were as follows:

	Loans Held for Investment		Notes, Certificates and Secured Borrowings	
December 31,	2019	2018	2019	2018
Aggregate principal balance outstanding	$ 1,148,888	$ 2,013,438	$ 1,148,888	$ 2,033,258
Net fair value adjustments	(69,573)	(130,187)	(67,422)	(127,383)
Fair value	$ 1,079,315	$ 1,883,251	$ 1,081,466	$ 1,905,875

At December 31, 2019 and 2018, a fair value of $18.0 million and $76.5 million included in "Loans held for investment at fair value" was pledged as collateral for secured borrowings, respectively. See "*Note 15. Secured Borrowings*" for additional information.

The following table provides the balances of notes, certificates and secured borrowings at fair value at the end of the periods indicated:

December 31,	2019	2018
Notes	$ 863,488	$ 1,176,333
Certificates	197,842	648,908
Secured borrowings	20,136	80,634
Total notes, certificates and secured borrowings	$ 1,081,466	$ 1,905,875

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Loans Invested in by the Company

At December 31, 2019 and 2018, loans invested in by the Company for which there were no associated notes, certificates or secured borrowings (with the exception of $40.3 million and $286.3 million in loans in consolidated trusts as of December 31, 2019 and 2018, respectively) were as follows:

	Loans Invested in by the Company					
	Loans Held for Investment		Loans Held for Sale		Total	
December 31,	2019	2018	2019	2018	2019	2018
Aggregate principal balance outstanding	$ 47,042	$ 3,518	$ 747,394	$ 869,715	$ 794,436	$ 873,233
Net fair value adjustments	(3,349)	(935)	(25,039)	(29,694)	(28,388)	(30,629)
Fair value	$ 43,693	$ 2,583	$ 722,355	$ 840,021	$ 766,048	$ 842,604

The net fair value adjustments of $(28.4) million, $(30.6) million and $(16.6) million represent net unrealized losses recorded in earnings on loans invested in by the Company at December 31, 2019, 2018 and 2017, respectively. Total fair value adjustments recorded in earnings on loans invested in by the Company of $(141.0) million, $(102.0) million and $(25.8) million during the years ended December 31, 2019, 2018 and 2017, respectively, include net realized losses and changes in net unrealized losses. Net interest income earned on loans invested in by the Company during the years ended December 31, 2019, 2018 and 2017 was $80.9 million, $90.9 million and $39.8 million, respectively.

The Company used its own capital to purchase $5.3 billion in loans during the year ended December 31, 2019 and sold $5.1 billion in loans during the year ended December 31, 2019, of which $4.0 billion was securitized or sold to series trusts in connection with the Company's Certificate Program and $1.1 billion was sold to whole loan investors. The fair value of loans invested in by the Company was $766.0 million at December 31, 2019, which was held for sale primarily for future anticipated Structured Program transactions and sales to loan investors. In the fourth quarter of 2019, the Company sponsored a new Structured Program transaction that was consolidated, resulting in the recognition of $40.3 million in loans held for investment by the Company at fair value and a related payable to securitization note and certificate holders of $40.6 million as of December 31, 2019. In May 2019, the Company deconsolidated a securitization trust, which resulted in the derecognition of $236.3 million in loans held for sale by the Company at fair value. See "*Note 7. Securitizations and Variable Interest Entities*" and "*Note 14. Debt*" for further discussion on the Company's consolidated trusts and "*Note 8. Fair Value of Assets and Liabilities*" for a fair value rollforward of loans invested in by the Company for the years ended December 31, 2019 and 2018.

At December 31, 2019 and 2018, loans with a fair value of $551.5 million and $453.0 million included in "Loans held for sale by the Company at fair value" was pledged as collateral for the Company's warehouse credit facilities, respectively. See "*Note 14. Debt*" for additional information related to these debt obligations.

Loans that were 90 days or more past due (including non-accrual loans) were as follows:

December 31,	2019	2018
Loans held for investment:		
Outstanding principal balance	$ 10,755	$ 19,707
Net fair value adjustments	(9,663)	(16,166)
Fair value	$ 1,092	$ 3,541
Number of loans (not in thousands)	1,428	2,309
Loans invested in by the Company:		
Outstanding principal balance	$ 2,315	$ 2,060
Net fair value adjustments	(2,016)	(1,710)
Fair value	$ 299	$ 350
Number of loans (not in thousands)	338	356

7. Securitizations and Variable Interest Entities

VIE Assets and Liabilities

The following tables provide the classifications of assets and liabilities on the Company's Consolidated Balance Sheets for its transactions with consolidated and unconsolidated VIEs at December 31, 2019 and 2018. Additionally, the assets and liabilities in the tables below exclude intercompany balances that eliminate in consolidation:

December 31, 2019	Consolidated VIEs	Unconsolidated VIEs	Total
Assets			
Restricted cash	$ 30,046	$ —	$ 30,046
Securities available for sale at fair value	—	220,135	220,135
Loans held for investment at fair value	197,842	—	197,842
Loans held for investment by the Company at fair value	40,251	—	40,251
Loans held for sale by the Company at fair value	551,455	—	551,455
Accrued interest receivable	4,431	877	5,308
Other assets	1,359	52,098	53,457
Total assets	$ 825,384	$ 273,110	$ 1,098,494
Liabilities			
Accrued interest payable	$ 3,185	$ —	$ 3,185
Accrued expenses and other liabilities	244	—	244
Notes, certificates and secured borrowings at fair value	197,842	—	197,842
Credit facilities and securities sold under repurchase agreements	387,251	—	387,251
Payable to securitization note and certificate holders at fair value	40,610	—	40,610
Total liabilities	629,132	—	629,132
Total net assets	$ 196,252	$ 273,110	$ 469,362

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

December 31, 2018	Consolidated VIEs	Unconsolidated VIEs	Total
Assets			
Restricted cash	$ 43,918	$ —	$ 43,918
Securities available for sale at fair value	—	116,768	116,768
Loans held for investment at fair value	642,094	—	642,094
Loans held for sale by the Company at fair value	739,216	—	739,216
Accrued interest receivable	10,438	1,214	11,652
Other assets	2,498	29,206	31,704
Total assets	$ 1,438,164	$ 147,188	$ 1,585,352
Liabilities			
Accrued interest payable	$ 7,594	$ —	$ 7,594
Accrued expenses and other liabilities	1,627	—	1,627
Notes, certificates and secured borrowings at fair value	648,908	—	648,908
Payable to securitization note and certificate holders	256,354	—	256,354
Credit facilities and securities sold under repurchase agreements	306,790	57,012	363,802
Total liabilities	1,221,273	57,012	1,278,285
Total net assets	$ 216,891	$ 90,176	$ 307,067

Consolidated VIEs

The Company consolidates VIEs when it is deemed to be the primary beneficiary. See "*Note 2. Summary of Significant Accounting Policies*" for additional information.

LC Trust

The Company established the LC Trust for the purpose of acquiring and holding loans for the sole benefit of certain investors that have purchased trust certificates issued by the LC Trust. The Company is obligated to ensure that the LC Trust meets minimum capital requirements with respect to funding the administrative activities and maintaining the operations of the LC Trust.

Consolidated Trusts

The Company establishes trusts to facilitate the sale of loans and issuance of senior and subordinated securities. If the Company is the primary beneficiary of the trust, it is a consolidated VIE and will reflect senior and subordinated securities held by third parties as a "Payable to securitization note and certificate holders" in the Company's Consolidated Balance Sheets. If subsequently the Company is not the primary beneficiary of the trust, the Company will deconsolidate the VIE. See "*Note 2. Summary of Significant Accounting Policies*" and "*Note 14. Debt*" for additional information.

Warehouse Credit Facilities

The Company established certain entities (deemed to be VIEs) to enter into warehouse credit facilities for the purpose of purchasing loans from LendingClub. See "*Note 14. Debt*" for additional information.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

The following table presents a summary of financial assets and liabilities from the Company's involvement with consolidated VIEs at December 31, 2019 and 2018:

December 31, 2019	Assets	Liabilities	Net Assets
LC Trust	$ 201,696	$ (199,520)	$ 2,176
Consolidated Trusts	43,300	(40,687)	2,613
Warehouse credit facilities	580,388	(388,925)	191,463
Total consolidated VIEs	$ 825,384	$ (629,132)	$ 196,252

December 31, 2018	Assets	Liabilities	Net Assets
LC Trust	$ 657,339	$ (656,088)	$ 1,251
Consolidated Trusts	297,821	(256,901)	40,920
Warehouse credit facility	483,004	(308,284)	174,720
Total consolidated VIEs	$ 1,438,164	$ (1,221,273)	$ 216,891

The creditors of the VIEs above have no recourse to the general credit of the Company as the primary beneficiary of the VIEs and the liabilities of the VIEs can only be settled by the respective VIE's assets.

Unconsolidated VIEs

The Company's transactions with unconsolidated VIEs include asset-backed securitizations, Certificate Program transactions and loan sale transactions of unsecured personal loans. The Company has various forms of involvement with VIEs, including servicing of loans and holding senior or subordinated residual interests in the VIEs. The accounting for these transactions is based on a primary beneficiary analysis to determine whether the underlying VIEs should be consolidated. If the VIEs are not consolidated and the transfer of the loans from the Company to the VIE meets sale accounting criteria, then the Company will recognize a gain or loss on sales of loans. The Company considers continued involvement in an unconsolidated VIE insignificant if it is the sponsor and servicer and does not hold other significant variable interests. In these instances, the Company's involvement with the VIE is in the role as an agent and without significant participation in the economics of the VIE. The Company enters into separate servicing agreements with the VIEs and holds at least 5% of the beneficial interests issued by the VIEs to comply with regulatory risk retention rules. The beneficial interests retained by the Company consist of senior securities and subordinated securities and are accounted for as securities available for sale. In connection with these transactions, we make certain customary representations, warranties and covenants. See "*Note 2. Summary of Significant Accounting Policies*" for additional information.

Investment Fund

The Company has an equity investment in a private fund (Investment Fund) that participates in a family of funds with other unrelated third parties. This family of funds purchases whole loans and interests in loans from the Company, as well as other assets from third parties unrelated to the Company. As of December 31, 2019, the Company had an ownership interest of approximately 23% in the Investment Fund. The Company's investment is deemed to be a variable interest in the Investment Fund because the Company shares in the expected returns and losses of the Investment Fund. At December 31, 2019, the Company's investment was $7.7 million, which is recognized in "Other assets" on the Company's Consolidated Balance Sheets.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

The following tables summarize unconsolidated VIEs with which the Company has significant continuing involvement, but is not the primary beneficiary at December 31, 2019 and 2018:

December 31, 2019	Carrying Value						
	Total VIE Assets	Securities Available for Sale	Accrued Interest Receivable	Other Assets	Accrued Expenses and Other Liabilities	Securities Sold Under Repurchase Agreements	Net Assets
Unconsolidated Trusts	$ 1,909,219	$ 93,881	$ 362	$ 18,768	$ —	$ —	$113,011
Certificate Program	2,585,957	126,254	515	25,588	—	—	152,357
Investment Fund	34,170	—	—	7,742	—	—	7,742
Total unconsolidated VIEs	$ 4,529,346	$ 220,135	$ 877	$ 52,098	$ —	$ —	$273,110

December 31, 2019	Maximum Exposure to Loss					
	Securities Available for Sale	Accrued Interest Receivable	Other Assets	Accrued Expenses and Other Liabilities	Securities Sold Under Repurchase Agreements	Total Exposure
Unconsolidated Trusts	$ 93,881	$ 362	$ 18,768	$ —	$ —	$ 113,011
Certificate Program	126,254	515	25,588	—	—	152,357
Investment Fund	—	—	7,742	—	—	7,742
Total unconsolidated VIEs	$ 220,135	$ 877	$ 52,098	$ —	$ —	$ 273,110

December 31, 2018	Carrying Value						
	Total VIE Assets	Securities Available for Sale	Accrued Interest Receivable	Other Assets	Accrued Expenses and Other Liabilities	Securities Sold Under Repurchase Agreements	Net Assets
Unconsolidated Trusts	$ 1,359,367	$ 68,338	$ 958	$ 11,838	$ —	$ (57,012)	$ 24,122
Certificate Program	973,815	48,430	256	9,115	—	—	57,801
Investment Fund	35,157	—	—	8,253	—	—	8,253
Total unconsolidated VIEs	$ 2,368,339	$ 116,768	$ 1,214	$ 29,206	$ —	$ (57,012)	$ 90,176

December 31, 2018	Maximum Exposure to Loss					
	Securities Available for Sale	Accrued Interest Receivable	Other Assets	Accrued Expenses and Other Liabilities	Securities Sold Under Repurchase Agreements	Total Exposure
Unconsolidated Trusts	$ 68,339	$ 958	$ 11,838	$ —	$ —	$ 81,135
Certificate Program	48,431	256	9,115	—	—	57,802
Investment Fund	—	—	8,253	—	—	8,253
Total unconsolidated VIEs	$ 116,770	$ 1,214	$ 29,206	$ —	$ —	$ 147,190

"Total VIE Assets" represents the remaining principal balance of loans held by unconsolidated VIEs with respect to Unconsolidated Trusts, Certificate Program transactions, and the net assets held by the Investment Fund using the most current information available. "Securities Available for Sale," "Accrued Interest Receivable," "Other Assets" and "Accrued Expenses and Other Liabilities" are the balances in the Company's Consolidated Balance Sheets

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

related to its involvement with the unconsolidated VIEs. "Other Assets" includes the Company's servicing assets and servicing receivables and the Company's equity investment with respect to the Investment Fund. "Total Exposure" refers to the Company's maximum exposure to loss from its involvement with unconsolidated VIEs. It represents estimated loss that would be incurred under severe, hypothetical circumstances, for which the Company believes the possibility is extremely remote, such as where the value of interests and any associated collateral declines to zero. Accordingly, this required disclosure is not an indication of expected losses.

The following table summarizes activity related to the unconsolidated trusts and Certificate Program trusts, with the transfers accounted for as a sale on the Company's consolidated financial statements for the years ended December 31, 2019 and 2018:

Year Ended December 31,	2019		2018	
	Unconsolidated Trusts	Unconsolidated Certificate Program Trusts	Unconsolidated Trusts	Unconsolidated Certificate Program Trusts
Principal derecognized from loans securitized or sold	$ 1,553,847	$ 2,868,709	$ 1,300,838	$ 1,145,616
Net gains (losses) recognized from loans securitized or sold	$ 4,809	$ 32,417	$ 6,039	$ 10,483
Fair value of asset-backed senior and subordinated securities, and CLUB Certificate asset-backed securities retained upon settlement [(1)]	$ 75,924	$ 140,825	$ 65,653	$ 56,764
Cash proceeds from loans securitized or sold	$ 1,212,521	$ 2,555,713	$ 867,875	$ 1,088,212
Cash proceeds from servicing and other administrative fees on loans securitized or sold	$ 16,961	$ 17,071	$ 13,725	$ 3,650
Cash proceeds for interest received on senior securities and subordinated securities	$ 5,022	$ 7,717	$ 3,049	$ 1,747

(1) For Structured Program transactions, the Company retained asset-backed senior securities of $98.7 million and $57.3 million, CLUB Certificate asset-backed securities of $101.3 million and $56.8 million, and asset-backed subordinated securities of $16.8 million and $8.3 million for the years ended December 31, 2019 and 2018, respectively.

Off-Balance Sheet Loans

Off-balance sheet loans primarily relate to Structured Program transactions for which the Company has some form of continuing involvement, including as servicer. Delinquent loans are comprised of loans 31 days or more past due, including non-accrual loans. For loans related to Structured Program transactions where servicing is the only form of continuing involvement, the Company would only experience a loss if it was required to repurchase a loan due to a breach in representations and warranties associated with its loan sale or servicing contracts.

As of December 31, 2019, the aggregate unpaid principal balance of the off-balance sheet loans pursuant to Structured Program transactions was $4.4 billion, of which $145.6 million was attributable to off-balance sheet loans that were 31 days or more past due. As of December 31, 2018, the aggregate unpaid principal balance of the off-balance sheet loans pursuant to Structured Program transactions was $2.3 billion, of which $87.1 million was attributable to off-balance sheet loans that were 31 days or more past due.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Retained Interests from Unconsolidated VIEs

The Company and other investors in the subordinated interests issued by trusts and Certificate Program trusts have rights to cash flows only after the investors holding the senior securities issued by the trusts have first received their contractual cash flows. The investors and the trusts have no direct recourse to the Company's assets, and holders of the securities issued by the trusts can look only to the assets of the trusts that issued their securities for payment. The beneficial interests held by the Company and the Company's MOA are subject principally to the credit and prepayment risk stemming from the underlying unsecured personal whole loans.

See "*Note 8. Fair Value of Assets and Liabilities*" for additional information on the fair value sensitivity of asset-backed securities related to Structured Program transactions.

8. Fair Value of Assets and Liabilities

For a description of the fair value hierarchy and the Company's fair value methodologies, see "*Note 2. Summary of Significant Accounting Policies.*" The Company records certain assets and liabilities at fair value as listed in the following tables.

Financial Instruments, Assets and Liabilities Recorded at Fair Value

The following tables present the fair value hierarchy for assets and liabilities measured at fair value at December 31, 2019 and 2018:

December 31, 2019	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Balance at Fair Value
Assets:				
Loans held for investment	$ —	$ —	$ 1,079,315	$ 1,079,315
Loans held for investment by the Company	—	—	43,693	43,693
Loans held for sale by the Company	—	—	722,355	722,355
Securities available for sale:				
Asset-backed senior securities and subordinated securities	—	109,339	21,090	130,429
CLUB Certificate asset-backed securities	—	—	89,706	89,706
Corporate debt securities	—	14,343	—	14,343
Certificates of deposit		13,100	—	13,100
Other asset-backed securities	—	12,080	—	12,080
Commercial paper	—	9,274	—	9,274
U.S. agency securities	—	1,995	—	1,995
Total securities available for sale	—	160,131	110,796	270,927
Servicing assets	—	—	89,680	89,680
Total assets	$ —	$ 160,131	$ 2,045,839	$ 2,205,970
Liabilities:				
Notes, certificates and secured borrowings	$ —	$ —	$ 1,081,466	$ 1,081,466
Payable to securitization note and certificate holders	—	—	40,610	40,610
Loan trailing fee liability	—	—	11,099	11,099
Total liabilities	$ —	$ —	$ 1,133,175	$ 1,133,175

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

December 31, 2018	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Balance at Fair Value
Assets:				
Loans held for investment	$ —	$ —	$ 1,883,251	$ 1,883,251
Loans held for investment by the Company	—	—	2,583	2,583
Loans held for sale by the Company	—	—	840,021	840,021
Securities available for sale:				
Asset-backed senior securities and subordinated securities	—	56,489	11,849	68,338
Certificates of deposit	—	14,929	—	14,929
Corporate debt securities	—	17,328	—	17,328
Other asset-backed securities	—	11,225	—	11,225
Commercial paper	—	9,720	—	9,720
CLUB Certificate asset-backed securities	—	—	48,430	48,430
Other securities	—	499	—	499
Total securities available for sale	—	110,190	60,279	170,469
Servicing assets	—	—	64,006	64,006
Total assets	$ —	$ 110,190	$ 2,850,140	$ 2,960,330
Liabilities:				
Note, certificates and secured borrowings	$ —	$ —	$ 1,905,875	$ 1,905,875
Loan trailing fee liability	—	—	10,010	10,010
Total liabilities	$ —	$ —	$ 1,915,885	$ 1,915,885

As presented in the tables above, the Company has elected the fair value option for certain liabilities. Changes in the fair value of these financial liabilities caused by a change in the Company's risk are reported in other comprehensive income (OCI). For the year ended December 31, 2019, the amount reported in OCI is zero because these financial liabilities are either payable only upon receipt of cash flows from underlying loans or secured by cash collateral.

Financial instruments are categorized in the valuation hierarchy based on the significance of unobservable factors in the overall fair value measurement. Since the Company's loans held for investment and related notes, certificates and secured borrowings, loans held for sale, loan servicing rights, asset-backed securities related to Structured Program transactions, and loan trailing fee liability do not trade in an active market with readily observable prices, the Company uses significant unobservable inputs to measure the fair value of these assets and liabilities. These fair value estimates may also include observable, actively quoted components derived from external sources. As a result, changes in fair value for assets and liabilities within the Level 2 or Level 3 categories may include changes in fair value that were attributable to observable and unobservable inputs, respectively. The Company primarily uses a discounted cash flow model to estimate the fair value of Level 3 instruments based on the present value of estimated future cash flows. This model uses inputs that are inherently judgmental and reflect our best estimates of the assumptions a market participant would use to calculate fair value. The Company did not transfer any assets or liabilities in or out of Level 3 during the years ended December 31, 2019 or 2018.

Fair valuation adjustments are recorded through earnings related to Level 3 instruments for the years ended December 31, 2019 and 2018. Certain unobservable inputs may (in isolation) have either a directionally consistent or opposite impact on the fair value of the financial instrument for a given change in that input. When multiple

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inputs are used within the valuation techniques, a change in one input in a certain direction may be offset by an opposite change from another input.

Loans Held for Investment, Notes, Certificates and Secured Borrowings

Significant Unobservable Inputs

The following table presents quantitative information about the significant unobservable inputs used for the Company's Level 3 fair value measurements for loans held for investment, notes, certificates and secured borrowings at December 31, 2019 and 2018:

	Loans Held for Investment, Notes, Certificates and Secured Borrowings					
	December 31, 2019			December 31, 2018		
	Minimum	Maximum	Weighted-Average	Minimum	Maximum	Weighted-Average
Discount rates	6.0%	12.0%	7.9%	6.3%	16.4%	9.1%
Net cumulative expected loss rates [(1)]	3.6%	34.9%	11.9%	2.8%	36.9%	12.8%
Cumulative expected prepayment rates [(1)]	28.7%	38.6%	31.7%	27.8%	40.3%	31.2%

(1) Expressed as a percentage of the original principal balance of the loan, note, certificate or secured borrowing.

Significant Recurring Level 3 Fair Value Input Sensitivity

At December 31, 2019 and 2018, the discounted cash flow methodology used to estimate the note, certificate and secured borrowings' fair values used the same projected net cash flows as their related loans. As demonstrated by the following tables, the fair value adjustments for loans held for investment and loans held for sale were largely offset by the corresponding fair value adjustments due to the payment dependent design of the notes, certificates and secured borrowings.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Fair Value Reconciliation

The following table presents additional information about Level 3 loans held for investment, loans held for sale, and notes, certificates and secured borrowings measured at fair value on a recurring basis for the years ended December 31, 2019 and 2018:

	Loans Held For Investment			Loans Held for Sale			Notes, Certificates and Secured Borrowings		
	Outstanding Principal Balance	Valuation Adjustment	Fair Value	Outstanding Principal Balance	Valuation Adjustment	Fair Value	Outstanding Principal Balance	Valuation Adjustment	Fair Value
Balance at December 31, 2017	$ 3,141,391	$ (209,066)	$ 2,932,325	$ —	$ —	$ —	$ 3,161,080	$ (206,312)	$ 2,954,768
Purchases	953,034	26	953,060	3,141,891	(5,714)	3,136,177	—	—	—
Transfers (to) from loans held for investment and/or loans held for sale	(1,180)	(22,152)	(23,332)	1,180	22,152	23,332	—	—	—
Issuances	—	—	—	—	—	—	953,904	—	953,904
Sales	—	—	—	(3,143,071)	1,548	(3,141,523)	—	—	—
Principal payments and retirements	(1,754,293)	—	(1,754,293)	—	—	—	(1,756,212)	111	(1,756,101)
Charge-offs, net of recoveries	(325,514)	263,022	(62,492)	—	—	—	(325,514)	263,020	(62,494)
Change in fair value recorded in earnings	—	(162,017)	(162,017)	—	(17,986)	(17,986)	—	(184,202)	(184,202)
Balance at December 31, 2018	$ 2,013,438	$ (130,187)	$ 1,883,251	$ —	$ —	$ —	$ 2,033,258	$ (127,383)	$ 1,905,875
Purchases	632,962	(21)	632,941	2,490,734	(26,560)	2,464,174	—	—	—
Transfers (to) from loans held for investment and/or loans held for sale	(123,036)	—	(123,036)	122,330	—	122,330	—	—	—
Issuances	—	—	—	—	—	—	632,962	—	632,962
Sales	—	—	—	(2,613,064)	24,789	(2,588,275)	—	—	—
Principal payments and retirements	(1,183,670)	—	(1,183,670)	—	—	—	(1,326,526)	14	(1,326,512)
Charge-offs, net of recoveries	(190,806)	138,857	(51,949)	—	—	—	(190,806)	135,785	(55,021)
Change in fair value recorded in earnings	—	(78,222)	(78,222)	—	1,771	1,771	—	(75,838)	(75,838)
Balance at December 31, 2019	$ 1,148,888	$ (69,573)	$ 1,079,315	$ —	$ —	$ —	$ 1,148,888	$ (67,422)	$ 1,081,466

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Loans Invested in by the Company

Significant Unobservable Inputs

The following table presents quantitative information about the significant unobservable inputs used for the Company's Level 3 fair value measurements for loans invested in by the Company at December 31, 2019 and 2018:

	Loans Invested in by the Company					
	December 31, 2019			December 31, 2018		
	Minimum	Maximum	Weighted-Average	Minimum	Maximum	Weighted-Average
Discount rates	6.0%	11.5%	7.8%	5.9%	16.7%	9.4%
Net cumulative expected loss rates [(1)]	3.6%	36.6%	10.9%	2.6%	36.8%	13.2%
Cumulative expected prepayment rates [(1)]	27.3%	41.0%	31.6%	27.0%	45.5%	32.5%

(1) Expressed as a percentage of the original principal balance of the loan.

Significant Recurring Level 3 Fair Value Input Sensitivity

The fair value sensitivity of loans invested in by the Company to adverse changes in key assumptions as of December 31, 2019 and 2018, are as follows:

	December 31, 2019	December 31, 2018
Fair value of loans invested in by the Company	$ 766,048	$ 842,604
Expected weighted-average life (in years)	1.5	1.4
Discount rates		
100 basis point increase	$ (9,806)	$ (10,487)
200 basis point increase	$ (19,410)	$ (20,720)
Expected credit loss rates on underlying loans		
10% adverse change	$ (9,558)	$ (11,304)
20% adverse change	$ (19,136)	$ (22,504)
Expected prepayment rates		
10% adverse change	$ (2,429)	$ (2,422)
20% adverse change	$ (4,740)	$ (4,785)

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Fair Value Reconciliation

The following table presents additional information about Level 3 loans invested in by the Company measured at fair value on a recurring basis for the years ended December 31, 2019 and 2018:

	Loans Held For Investment by the Company			Loans Held For Sale by the Company			Total Loans Invested in by the Company		
	Outstanding Principal Balance	Valuation Adjustment	Fair Value	Outstanding Principal Balance	Valuation Adjustment	Fair Value	Outstanding Principal Balance	Valuation Adjustment	Fair Value
Balance at December 31, 2017	$ 371,379	$ (10,149)	$ 361,230	$ 242,273	$ (6,448)	$ 235,825	$ 613,652	$ (16,597)	$ 597,055
Purchases	8,697	(876)	7,821	4,353,458	(2,739)	4,350,719	4,362,155	(3,615)	4,358,540
Transfers (to) from loans held for investment and/or loans held for sale	(324,626)	22,152	(302,474)	324,626	(22,152)	302,474	—	—	—
Sales	—	—	—	(3,862,910)	72,742	(3,790,168)	(3,862,910)	72,742	(3,790,168)
Principal payments and retirements	(47,552)	—	(47,552)	(172,334)	—	(172,334)	(219,886)	—	(219,886)
Charge-offs, net of recoveries	(4,380)	3,633	(747)	(15,398)	15,223	(175)	(19,778)	18,856	(922)
Change in fair value recorded in earnings	—	(15,695)	(15,695)	—	(86,320)	(86,320)	—	(102,015)	(102,015)
Balance at December 31, 2018	$ 3,518	$ (935)	$ 2,583	$ 869,715	$ (29,694)	$ 840,021	$ 873,233	$ (30,629)	$ 842,604
Purchases	2,993	(2,303)	690	5,343,146	1	5,343,147	5,346,139	(2,302)	5,343,837
Transfers (to) from loans held for investment and/or loans held for sale	49,996	(1,471)	48,525	(49,290)	1,471	(47,819)	706	—	706
Sales	—	—	—	(5,122,450)	119,369	(5,003,081)	(5,122,450)	119,369	(5,003,081)
Principal payments and retirements	(5,214)	—	(5,214)	(268,366)	—	(268,366)	(273,580)	—	(273,580)
Charge-offs, net of recoveries	(4,251)	2,169	(2,082)	(25,361)	23,973	(1,388)	(29,612)	26,142	(3,470)
Change in fair value recorded in earnings	—	(809)	(809)	—	(140,159)	(140,159)	—	(140,968)	(140,968)
Balance at December 31, 2019	$ 47,042	$ (3,349)	$ 43,693	$ 747,394	$ (25,039)	$ 722,355	$ 794,436	$ (28,388)	$ 766,048

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Asset-Backed Securities Related to Structured Program Transactions

Significant Unobservable Inputs

The following table presents quantitative information about the significant unobservable inputs used for the Company's Level 3 fair value measurements for asset-backed securities related to Structured Program transactions at December 31, 2019 and 2018:

	Asset-Backed Securities Related to Structured Program Transactions					
	December 31, 2019			December 31, 2018		
	Minimum	Maximum	Weighted-Average	Minimum	Maximum	Weighted-Average
Discount rates	3.4%	20.7%	8.8%	3.2%	19.6%	8.8%
Net cumulative expected loss rates [(1)]	4.5%	37.9%	19.2%	6.3%	43.9%	18.4%
Cumulative expected prepayment rate [(1)]	17.3%	35.1%	29.4%	21.0%	33.0%	30.1%

(1) Expressed as a percentage of the outstanding collateral balance.

Significant Recurring Fair Value Input Sensitivity

The following tables present adverse changes to the fair value sensitivity of Level 2 and Level 3 asset-backed securities related to Structured Program transactions to changes in key assumptions at December 31, 2019 and 2018:

	December 31, 2019		
	Asset-Backed Securities Related to Structured Program Transactions		
	Senior Securities	Subordinated Securities	CLUB Certificates
Fair value of interests held	$ 109,339	$ 21,090	$ 89,706
Expected weighted-average life (in years)	1.1	1.4	1.1
Discount rates			
100 basis point increase	$ (1,050)	$ (300)	$ (823)
200 basis point increase	$ (2,076)	$ (513)	$ (1,627)
Expected credit loss rates on underlying loans			
10% adverse change	$ —	$ (2,162)	$ (2,163)
20% adverse change	$ —	$ (4,273)	$ (4,311)
Expected prepayment rates			
10% adverse change	$ —	$ (814)	$ (654)
20% adverse change	$ —	$ (1,495)	$ (1,279)

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

	December 31, 2018		
	Asset-Backed Securities Related to Structured Program Transactions		
	Senior Securities	Subordinated Securities	CLUB Certificates
Fair value of interests held	$ 56,489	$ 11,849	$ 48,430
Expected weighted-average life (in years)	1.0	1.3	1.2
Discount rates			
100 basis point increase	$ (526)	$ (149)	$ (472)
200 basis point increase	$ (1,032)	$ (293)	$ (932)
Expected credit loss rates on underlying loans			
10% adverse change	$ —	$ (1,573)	$ (1,070)
20% adverse change	$ —	$ (3,159)	$ (2,112)
Expected prepayment rates			
10% adverse change	$ —	$ (786)	$ (291)
20% adverse change	$ —	$ (1,599)	$ (562)

Fair Value Reconciliation

The following table presents additional information about Level 3 asset-backed securities related to Structured Program transactions measured at fair value on a recurring basis for the years ended December 31, 2019 and 2018:

	December 31, 2019	December 31, 2018
Fair value at beginning of period	$ 60,279	$ 10,029
Additions	118,721	65,098
Redemptions	(17,900)	(2,742)
Cash received	(45,701)	(9,329)
Change in unrealized gain (loss)	(992)	201
Other-than-temporary impairment	(3,611)	(2,978)
Fair value at end of period	$ 110,796	$ 60,279

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Servicing Assets

Significant Unobservable Inputs

The following table presents quantitative information about the significant unobservable inputs used for the Company's Level 3 fair value measurements for servicing assets at December 31, 2019 and 2018:

	Servicing Assets					
	December 31, 2019			December 31, 2018		
	Minimum	Maximum	Weighted-Average	Minimum	Maximum	Weighted-Average
Discount rates	2.9%	14.8%	8.6%	4.8%	16.7%	9.0%
Net cumulative expected loss rates [1]	3.7%	36.1%	12.4%	2.8%	38.7%	12.5%
Cumulative expected prepayment rates [1]	27.5%	41.8%	32.5%	13.9%	42.9%	31.9%
Total market servicing rates (% per annum on outstanding principal balance) [2]	0.66%	0.66%	0.66%	0.66%	0.66%	0.66%

(1) Expressed as a percentage of the original principal balance of the loan.
(2) Includes collection fees estimated to be paid to a hypothetical third-party servicer.

Significant Recurring Level 3 Fair Value Input Sensitivity

The Company's selection of the most representative market servicing rates for servicing assets is inherently judgmental. The Company reviews third-party servicing rates for its loans, loans in similar credit sectors, and market servicing benchmarking analyses provided by third-party valuation firms, when available. The table below shows the impact on the estimated fair value of servicing assets, calculated using different market servicing rate assumptions as of December 31, 2019 and 2018:

	Servicing Assets	
	December 31, 2019	December 31, 2018
Weighted-average market servicing rate assumptions	0.66%	0.66%
Change in fair value from:		
Servicing rate increase by 0.10%	$ (13,978)	$ (10,878)
Servicing rate decrease by 0.10%	$ 13,979	$ 10,886

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Fair Value Reconciliation

The following table presents additional information about Level 3 servicing assets measured at fair value on a recurring basis for the years ended December 31, 2019 and 2018:

		Servicing Assets
Fair value at December 31, 2017	$	33,676
Issuances [1]		55,403
Change in fair value, included in investor fees		(31,233)
Other net changes included in deferred revenue		6,160
Fair value at December 31, 2018	$	64,006
Issuances [1]		79,692
Change in fair value, included in investor fees		(58,172)
Other net changes included in deferred revenue		4,154
Fair value at December 31, 2019	$	89,680

[1] Represents the gains or losses on sales of the related loans.

Loan Trailing Fee Liability

Significant Unobservable Inputs

The following table presents quantitative information about the significant unobservable inputs used for the Company's Level 3 fair value measurements for loan trailing fee liability at December 31, 2019 and 2018:

	Loan Trailing Fee Liability					
	December 31, 2019			December 31, 2018		
	Minimum	Maximum	Weighted Average-	Minimum	Maximum	Weighted Average-
Discount rates	2.9%	14.8%	9.3%	4.8%	16.7%	9.5%
Net cumulative expected loss rates [1]	3.7%	36.0%	14.4%	2.8%	38.7%	14.0%
Cumulative expected prepayment rates [1]	28.5%	41.7%	33.0%	16.5%	43.1%	32.2%

[1] Expressed as a percentage of the original principal balance of the loan.

Significant Recurring Level 3 Fair Value Input Sensitivity

The fair value sensitivity of the loan trailing fee liability to adverse changes in key assumptions would not result in a material impact on the Company's financial position.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Fair Value Reconciliation

The following table presents additional information about the Level 3 loan trailing fee liability measured at fair value on a recurring basis for the years ended December 31, 2019 and 2018:

Year Ended December 31,	2019	2018
Fair value at beginning of period	$ 10,010	$ 8,432
Issuances	7,815	7,614
Cash payment of Loan Trailing Fee	(7,908)	(6,803)
Change in fair value, included in Origination and Servicing	1,182	767
Fair value at end of period	$ 11,099	$ 10,010

Financial Instruments, Assets, and Liabilities Not Recorded at Fair Value

The following tables present the fair value hierarchy for financial instruments, assets, and liabilities not recorded at fair value:

December 31, 2019	Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Balance at Fair Value
Assets:					
Cash and cash equivalents [1]	$ 243,779	$ —	$ 243,779	$ —	$ 243,779
Restricted cash [1]	243,343	—	243,343	—	243,343
Servicer reserve receivable	73	—	73	—	73
Deposits	953	—	953	—	953
Total assets	$ 488,148	$ —	$ 488,148	$ —	$ 488,148
Liabilities:					
Accrued expenses and other liabilities	$ 24,899	$ —	$ —	$ 24,899	$ 24,899
Accounts payable	10,855	—	10,855	—	10,855
Payable to investors	97,530	—	97,530	—	97,530
Credit facilities and securities sold under repurchase agreements	587,453	—	77,143	510,310	587,453
Total liabilities	$ 720,737	$ —	$ 185,528	$ 535,209	$ 720,737

(1) Carrying amount approximates fair value due to the short maturity of these financial instruments.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

December 31, 2018	Carrying Amount	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Balance at Fair Value
Assets:					
Cash and cash equivalents [1]	$ 372,974	$ —	$ 372,974	$ —	$ 372,974
Restricted cash [1]	271,084	—	271,084	—	271,084
Servicer reserve receivable	669	—	669	—	669
Deposits	1,093	—	1,093	—	1,093
Total assets	$ 645,820	$ —	$ 645,820	$ —	$ 645,820
Liabilities:					
Accrued expenses and other liabilities	$ 18,483	$ —	$ —	$ 18,483	$ 18,483
Accounts payable	7,104	—	7,104	—	7,104
Payable to investors	149,052	—	149,052	—	149,052
Payable to securitization note and certificate holders	256,354	—	256,354	—	256,354
Credit facilities and securities sold under repurchase agreements	458,802	—	57,012	401,790	458,802
Total liabilities	$ 889,795	$ —	$ 469,522	$ 420,273	$ 889,795

[1] Carrying amount approximates fair value due to the short maturity of these financial instruments.

9. Property, Equipment and Software, Net

Property, equipment and software, net, consist of the following:

December 31,	2019	2018
Internally developed software [1]	$ 117,510	$ 141,233
Leasehold improvements	39,315	31,109
Computer equipment	26,669	24,204
Purchased software	11,846	10,139
Furniture and fixtures	9,406	8,468
Construction in progress	4,937	4,106
Total property, equipment and software	209,683	219,259
Accumulated depreciation and amortization	(95,313)	(105,384)
Total property, equipment and software, net	$ 114,370	$ 113,875

[1] Includes $21.3 million and $10.3 million in development in progress as of December 31, 2019 and 2018, respectively.

Depreciation and amortization expense on property, equipment and software was $51.6 million, $47.0 million and $40.3 million for the years ended December 31, 2019, 2018 and 2017, respectively. The Company recorded impairment expense on its internally developed software of $3.9 million, $3.8 million and $2.4 million for the years ended December 31, 2019, 2018 and 2017, respectively. The Company records impairment expense on its internally developed software in “Engineering and product development” expense in the Consolidated Statements of Operations.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

10. Other Assets

Other assets consist of the following:

December 31,	2019	2018
Loan servicing assets, at fair value [1]	$ 89,680	$ 64,006
Accounts receivable	19,017	19,322
Prepaid expenses	14,862	25,598
Other investments	8,242	8,503
Deferred financing costs	1,484	2,117
Other	10,383	5,421
Total other assets	$ 143,668	$ 124,967

[1] Loans underlying loan servicing rights had a total outstanding principal balance of $14.1 billion and $10.9 billion as of December 31, 2019 and 2018, respectively.

11. Intangible Assets and Goodwill

Intangible Assets

Intangible assets consist of customer relationships. The gross and net carrying values and accumulated amortization as of December 31, 2019 and 2018, were as follows:

December 31,	2019	2018
Gross Carrying Value	$ 39,500	$ 39,500
Accumulated Amortization	(24,951)	(21,452)
Net Carrying Value	$ 14,549	$ 18,048

The customer relationship intangible assets are amortized on an accelerated basis over a 14 year period. Amortization expense associated with intangible assets for the years ended December 31, 2019, 2018 and 2017 was $3.5 million, $3.9 million and $4.3 million, respectively.

The expected future amortization expense for intangible assets as of December 31, 2019, is as follows:

Year Ending December 31,	
2020	$ 3,122
2021	2,746
2022	2,370
2023	1,994
2024	1,618
Thereafter	2,699
Total	$ 14,549

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Goodwill

Goodwill consists of the following:

Balance at December 31, 2017	$	35,633
Goodwill impairment		35,633
Balance at December 31, 2018	$	—
Goodwill impairment		—
Balance at December 31, 2019	$	—

During the annual testing for potential impairment of goodwill in 2018, management performed an assessment of the Company's patient and education finance reporting unit (PEF), which is the only reporting unit with goodwill. Upon completion of the annual impairment test, the Company recorded a goodwill impairment expense of $35.6 million during the second quarter of 2018, resulting in full impairment of the remaining goodwill of PEF.

12. Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities consist of the following:

December 31,	**2019**	**2018**
Accrued expenses	$ 36,797	$ 42,507
Accrued compensation	30,484	36,105
Transaction fee refund reserve	25,541	19,543
Contingent liabilities [(1)]	16,000	12,750
Deferred revenue	13,688	9,420
Loan trailing fee liability, at fair value	11,099	10,010
Payable to issuing banks	1,332	1,182
Deferred rent [(2)]	—	16,211
Other	7,695	4,390
Total accrued expenses and other liabilities	$ 142,636	$ 152,118

(1) See "*Note 19. Commitments and Contingencies*" for further information.

(2) The Company adopted ASU 2016-02, *Leases,* as of January 1, 2019. As such, effective January 1, 2019, deferred rent is included within operating lease liabilities on the Company's consolidated balance sheets. For additional information, see "*Note 2. Summary of Significant Accounting Policies*" and "*Note 18. Leases.*"

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

13. Accumulated Other Comprehensive Income (Loss)

Accumulated other comprehensive income (loss) represents other cumulative gains and losses that are not reflected in earnings. The components of other comprehensive income (loss) were as follows:

Year Ended December 31,	2019		
	Before Tax	Tax Effect	Net of Tax
Change in net unrealized gain (loss) on securities available for sale	$ (526)	$ 216	$ (742)
Other comprehensive income (loss)	$ (526)	$ 216	$ (742)

Year Ended December 31,	2018		
	Before Tax	Tax Effect	Net of Tax
Change in net unrealized gain (loss) on securities available for sale	$ 252	$ 83	$ 169
Other comprehensive income (loss)	$ 252	$ 83	$ 169

Year Ended December 31,	2017		
	Before Tax	Tax Effect	Net of Tax
Change in net unrealized gain (loss) on securities available for sale	$ 184	$ (591)	$ 775
Other comprehensive income (loss)	$ 184	$ (591)	$ 775

Accumulated other comprehensive income (loss) balances were as follows:

	Total Accumulated Other Comprehensive Income (Loss)
Balance at December 31, 2017	**$ (5)**
Change in net unrealized gain (loss) on securities available for sale	169
Less: Other comprehensive income (loss) attributable to noncontrolling interests	7
Balance at December 31, 2018	**$ 157**
Change in net unrealized gain (loss) on securities available for sale	(742)
Less: Other comprehensive income (loss) attributable to noncontrolling interests	(20)
Balance at December 31, 2019	**$ (565)**

14. Debt

Credit Facilities and Securities Sold Under Repurchase Agreements

The Company may enter into arrangements in the ordinary course of business pursuant to which the Company can incur indebtedness. Below is a description of certain of these arrangements:

Warehouse Credit Facilities

Through wholly-owned subsidiaries, the Company entered into secured warehouse credit facilities (Warehouse Facilities) with certain lenders from 2017 to 2019 to finance the Company's personal loans and auto refinance loans and to pay fees and expenses related to the applicable facilities. Each subsidiary entered into a credit agreement and

security agreement with a commercial bank as administrative agent and a national banking association as collateral trustee and paying agent.

As of December 31, 2019, the warehouse facilities used to finance our personal loans (Personal Loan Warehouse Credit Facilities) have a combined borrowing capacity of $750.0 million (which will be reduced to $700.0 million on January 15, 2020) on a revolving basis and have "Commitment Termination Dates" ranging from March 2020 to October 2020, at which point the Company's ability to borrow additional funds ends. Under the respective agreements, if not amended, extended, or replaced, any outstanding debt on the Commitment Termination Dates would be repaid as an amortizing term loan until the facility's final maturity date. The Company is working to amend and extend the Commitment Termination Dates of these Personal Loan Warehouse Credit Facilities. The final maturity date occurs at the earlier of twelve months after the Commitment Termination Date and three years after these Personal Loan Warehouse Credit Facilities were executed, and any remaining debt is due in full at such time. Under the respective agreements, the Personal Loan Warehouse Credit Facilities mature between January 2021 and March 2022.

The warehouse facility to finance auto refinance loans (Auto Loan Warehouse Credit Facility) is a $34.2 million term loan that matures in June 2021, which has an outstanding balance of $14.3 million as of December 31, 2019. The amount borrowed under this Auto Loan Warehouse Credit Facility amortizes over time through regular principal and interest payments collected from the auto refinance loans that serve as collateral.

The creditors of the Personal Loan and Auto Loan Warehouse Credit Facilities have no recourse to the general credit of the Company. Borrowings under these facilities bear interest at an annual benchmark rate of LIBOR (London Inter-bank Offered Rate) or at an alternative commercial paper rate (which is either (i) the per annum rate equivalent to the weighted-average of the per annum rates at which all commercial paper notes were issued by certain lenders to fund advances or maintain loans, or (ii) the daily weighted-average of LIBOR, as set forth in the applicable credit agreement), plus a spread ranging from 1.85% to 2.50%. Interest is payable monthly. Borrowings may be prepaid without penalty. In addition, the Personal Loan Warehouse Credit Facilities require payment of a monthly unused commitment fee ranging from 0.375% to 1.25% per annum on the average undrawn portion available.

The Personal Loan and Auto Loan Warehouse Credit Facilities contain certain covenants. As of December 31, 2019, the Company was in material compliance with all applicable covenants under the respective credit agreements.

As of December 31, 2019 and 2018, the Company had $387.3 million and $306.8 million in aggregate debt outstanding under the Personal Loan and Auto Loan Warehouse Credit Facilities, respectively, with collateral consisting of loans at fair value of $551.5 million and $453.0 million included in "Loans held for sale by the Company at fair value," respectively, and restricted cash of $25.1 million and $25.2 million included in the Consolidated Balance Sheets, respectively.

Revolving Credit Facility

In December 2015, the Company entered into a credit and guaranty agreement and a pledge and security agreement with several lenders and a financial services company, as collateral agent, for an aggregate $120.0 million secured revolving credit facility (Revolving Facility).

The Company may borrow under the Revolving Facility until December 17, 2020. Repayment of any outstanding proceeds are payable on December 17, 2020, but may be prepaid without penalty.

Borrowings under the Revolving Facility bear interest, at the Company's option, at an annual rate of LIBOR plus a spread of 1.75% to 2.00%, which is fixed for a Company-selected interest period of one, two, three, six or twelve months, or at an alternative base rate (which is tied to either the prime rate, federal funds effective rate plus 0.50%, or the adjusted eurocurrency rate plus 1.00%, as defined in the credit agreement) plus a spread of 0.75% to 1.00%.

Base rate borrowings may be prepaid at any time without penalty, however pre-payment of LIBOR-based borrowings before the end of the selected interest period may result in the Company incurring expense to compensate the lenders for their funding costs through the end of the interest period. Interest is payable quarterly. Additionally, the Company is required to pay a quarterly commitment fee to the lenders of between 0.25% and 0.375% per annum, depending on the Company's total net leverage ratio, on the average undrawn portion available under the Revolving Facility.

The Revolving Facility contains certain covenants. As of December 31, 2019, the Company was in material compliance with all applicable covenants in the credit and guaranty agreement.

The Company had $60.0 million and $95.0 million in debt outstanding under the Revolving Facility as of December 31, 2019 and 2018, respectively.

Repurchase Agreements

In 2018 and 2019, the Company entered into repurchase agreements pursuant to which the Company may sell securities (subject to an obligation to repurchase such securities at a specified future date and price) in exchange for cash, primarily to finance securities retained from the Company's Structured Program transactions. The Company is subject to margin calls based on the fair value of the securities to be repurchased. As of December 31, 2019 and 2018, the Company had $140.2 million and $57.0 million in aggregate debt outstanding under its repurchase agreements, respectively, of which, at December 31, 2019, $64.5 million had contractual repurchase dates ranging from February 2020 to December 2026 and $75.7 million is subject to a repurchase date in March 2020 that requires counterparty approval to extend such repurchase date. The contractual repurchase dates correspond to either a set repurchase schedule or to the maturity dates of the underlying securities, which have a weighted-average estimated life from 1.1 to 1.4 years. The repurchase agreements bear interest at a rate that is based on a benchmark of the three-month LIBOR rate or the weighted-average interest rate of the securities sold plus a spread of 0.65% to 2.50%. Securities sold are included in "Credit facilities and securities sold under repurchase agreements" on the Consolidated Balance Sheets. As of December 31, 2019 and 2018, the Company had $174.8 million and $64.1 million, respectively, of underlying assets sold under repurchase agreements.

Payable to Securitization Note and Certificate Holders

In November 2019, the Company sponsored a securitization transaction through a master trust consisting of $44.7 million in unsecured personal whole loans. The trust sold certificate participations to third-party investors in an amount equal to 95% of the loans for $42.5 million in net proceeds. The remaining certificate participations and the residual interest were retained by the Company. The Company is the primary beneficiary of the trust, which is consolidated. As of December 31, 2019, the certificate participations held by third-party investors of $40.6 million are included in "Payable to securitization note and certificate holders" in the Consolidated Balance Sheets and were secured by loans held for investment by the Company at fair value of $40.3 million and restricted cash of $2.9 million included in the Consolidated Balance Sheets.

As of December 31, 2018, the Company was the primary beneficiary of a securitization trust that was consolidated. The notes held by third-party investors and the related unamortized debt issuance costs of $256.4 million are included in "Payable to securitization note and certificate holders" in the Consolidated Balance Sheets and were secured by loans held for sale by the Company at fair value of $286.3 million and restricted cash of $9.3 million included in the Consolidated Balance Sheets. In May 2019, the Company sold a portion of the residual certificates and no longer holds significant variable interest in the securitization trust. As a result, the Company deconsolidated the securitization trust, including the derecognition of the payable to securitization note holders.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

15. Secured Borrowings

In October 2017, LendingClub Asset Management, LLC (LCAM), a wholly-owned subsidiary of LendingClub that previously acted as the general partner for certain private funds, initiated the wind-down of six funds by redeeming the LC Trust certificates issued to the funds and transferring the loan participations underlying the redeemed certificates to third party investors. Certain of the loan participations for two of the funds transferred did not meet the definition of participating interests because the Company provided a credit support agreement under which the investor has a recourse to the Company for credit losses. The transfer of these loan participations from these two funds was accounted for as a secured borrowing and the underlying whole loans were not derecognized from the Company's Consolidated Balance Sheets. The Company elected the fair value option for the secured borrowings.

As of December 31, 2019, the fair value of the secured borrowings was $20.1 million, secured by loans at fair value of $18.0 million included in "Loans held for investment at fair value" in the Consolidated Balance Sheets. As of December 31, 2018, the fair value of the secured borrowings was $80.6 million, secured by loans at fair value of $76.5 million included in "Loans held for investment at fair value" in the Consolidated Balance Sheets. Changes in the fair value of the secured borrowings are partially offset by the associated loan participations, and the net effect results in changes in fair value of the credit support agreement through earnings. As of December 31, 2019 and 2018, the fair value of this credit support agreement was $2.2 million and $2.8 million, respectively. The fair value of the credit support agreement is equal to the present value of the probability-weighted estimate of expected payments over a range of loss scenarios. See "*Note 6. Loans Held for Investment, Loans Held for Sale, Notes, Certificates and Secured Borrowings*" for additional information.

16. Employee Incentive and Retirement Plans

The Company's 2014 Equity Incentive Plan (EIP) provides for granting awards, including RSUs, PBRSUs and stock options to employees, officers and directors. In addition, the Company offers a retirement plan to eligible employees.

Common Stock Reserved for Future Issuance

As of December 31, 2019 and 2018, the Company had shares of common stock reserved for future issuance as follows:

December 31,	2019	2018
Unvested RSUs, PBRSUs and stock options outstanding	12,323,868	12,047,376
Available for future RSU, PBRSU and stock option grants	12,861,058	10,387,200
Available for ESPP	3,123,203	2,307,400
Total reserved for future issuance [(1)]	28,308,129	24,741,976

(1) All share information has been retroactively adjusted to reflect a reverse stock split. See "*Note 4. Net Loss Per Share*" for additional information.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Stock-based Compensation

Stock-based compensation expense was as follows for the periods presented:

Year Ended December 31,	2019	2018	2017
RSUs and PBRSUs	$ 70,772	$ 66,005	$ 54,116
Stock options	2,383	7,387	15,103
ESPP	484	1,695	1,605
Stock issued related to acquisition	—	—	159
Total stock-based compensation expense	$ 73,639	$ 75,087	$ 70,983

The following table presents the Company's stock-based compensation expense recorded in the Consolidated Statements of Operations:

Year Ended December 31,	2019	2018	2017
Sales and marketing	$ 6,095	$ 7,362	$ 7,654
Origination and servicing	3,155	4,322	4,804
Engineering and product development	19,860	20,478	22,047
Other general and administrative	44,529	42,925	36,478
Total stock-based compensation expense	$ 73,639	$ 75,087	$ 70,983

The Company capitalized $6.3 million, $9.1 million and $9.2 million of stock-based compensation expense associated with developing software for internal use during the years ended December 31, 2019, 2018 and 2017, respectively.

In 2016, the board of directors approved incentive retention awards to certain members of the executive management team and other key personnel. These incentive awards consisted of an aggregate of $16.3 million of RSUs and $18.6 million of cash. These incentive retention awards were recognized as compensation expense ratably through May 2017.

Restricted Stock Units

The following table summarizes the activities for the Company's RSUs during the year ended December 31, 2019:

	Number of Units [1]	Weighted-Average Grant Date Fair Value [1]
Unvested at December 31, 2018	8,639,802	$ 20.23
Granted	7,531,283	$ 15.23
Vested	(3,545,198)	$ 20.43
Forfeited/expired	(3,028,483)	$ 18.49
Unvested at December 31, 2019	9,597,404	$ 16.78

[1] Amounts have been retroactively adjusted to reflect a reverse stock split. See "*Note 4. Net Loss Per Share*" for additional information.

During the year ended December 31, 2019, the Company granted 7,531,283 RSUs with an aggregate fair value of $114.7 million.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

As of December 31, 2019, there was $151.0 million of unrecognized compensation cost related to unvested RSUs, which is expected to be recognized over the next 2.8 years.

Performance-based Restricted Stock Units

PBRSUs are equity awards that are earned, and eligible for time-based vesting, based upon the achievement of certain pre-established performance metrics over a specific performance period. Depending on the level of achievement of the pre-established performance targets, the PBRSUs earned and eligible for time-based vesting can range from 0% to 200% of the target amount. PBRSUs granted under the Company's EIP generally have a one-year performance period with the earned shares, if any, vesting over an additional approximately two-year period. Over the performance period, the number of PBRSUs that may be earned and the related stock-based compensation expense that is recognized is adjusted upward or downward based upon the probability of achieving the pre-established performance metrics.

During the first quarter of 2019, the Company expanded the use of its PBRSU program to nearly all of the executive team. The following table summarizes the activities for the Company's PBRSUs during the year ended December 31, 2019:

	Number of Units [1]	Weighted-Average Grant Date Fair Value [1]
Unvested at December 31, 2018	254,643	$ 18.54
Granted	373,810	$ 16.42
Vested	(97,776)	$ 18.91
Forfeited/expired [2]	(59,088)	$ 17.32
Unvested at December 31, 2019	471,589	$ 16.94

(1) Amounts have been retroactively adjusted to reflect a reverse stock split. See "*Note 4. Net Loss Per Share*" for additional information.

(2) Represents the portion of PBRSUs granted in 2018 that were unearned as a result of not achieving certain pre-established performance metrics during the performance period.

For the years ended December 31, 2019, 2018 and 2017, the Company recognized $3.9 million, $2.8 million and $1.0 million in stock-based compensation expense related to these PBRSUs, respectively.

As of December 31, 2019, there was $3.3 million of unrecognized compensation cost related to unvested PBRSUs, which is expected to be recognized over the next 1.7 years.

Stock Options

The following table summarizes the activities for the Company's stock options during 2019:

	Number of Options [1]	Weighted-Average Exercise Price Per Share [1]	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value [2] (in thousands)
Outstanding at December 31, 2018	3,152,929	$ 25.80		
Granted	—	$ —		
Exercised	(470,666)	$ 1.85		
Forfeited/Expired	(427,375)	$ 33.74		
Outstanding at December 31, 2019	2,254,888	$ 29.27	4.2	$ 5,528
Exercisable at December 31, 2019	2,193,730	$ 29.16	4.1	$ 5,528

(1) Amounts have been retroactively adjusted to reflect a reverse stock split. See "*Note 4. Net Loss Per Share*" for additional information.

(2) The aggregate intrinsic value is calculated as the difference between the exercise price of the underlying awards and the Company's closing stock price of $12.62 as reported on the New York Stock Exchange on December 31, 2019.

The aggregate intrinsic value of options exercised was $5.9 million, $1.9 million and $27.0 million for the years ended December 31, 2019, 2018 and 2017, respectively. The total fair value of stock options vested for the years ended December 31, 2019, 2018 and 2017 was $2.8 million, $9.8 million and $19.6 million, respectively.

As of December 31, 2019, the total unrecognized compensation cost related to outstanding stock options was $0.8 million, which is expected to be recognized over the next 0.5 years.

There were no stock options granted during the years ended December 31, 2019, 2018 and 2017.

Employee Stock Purchase Plan

The Company's employee stock purchase plan (ESPP) became effective on December 11, 2014. The Company's ESPP allowed eligible employees to purchase shares of the Company's common stock at a discount through payroll deductions, subject to plan limitations. Payroll deductions were accumulated during six-month offering periods. The purchase price for each share of common stock was 85% of the lower of the fair market value of the common stock on the first business day of the offering period or on the last business day of the offering period. In connection with the Company's cost structure simplification efforts, future purchases through the Company's ESPP were suspended effective upon the completion of the most recent offering period on May 10, 2019.

The Company's employees purchased 163,970, 361,840 and 261,907 shares of common stock under the ESPP during the years ended December 31, 2019, 2018 and 2017, respectively. As of December 31, 2019, 2018 and 2017, a total of 3,123,203, 2,307,400 and 1,739,199 shares remain reserved for future issuance, respectively.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

The fair value of stock purchase rights granted to employees under the ESPP was measured on the grant date using the Black-Scholes option pricing model. The compensation expense related to ESPP purchase rights was recognized on a straight-line basis over the six-month requisite service period. We used the following assumptions in estimating the fair value of the grants under the ESPP, which were derived using the same methodology applied to stock option assumptions:

Year Ended December 31,	2018	2017
Expected dividend yield	—	—
Weighted-average assumed stock price volatility	54.6%	45.1%
Weighted-average risk-free interest rate	2.29%	1.21%
Weighted-average expected life (in years)	0.50	0.50

For the years ended December 31, 2018 and 2017, the dates of the assumptions were May 11, 2018 and November 11, 2018 and May 11, 2017 and November 11, 2017, respectively. There were no dates of assumption under the ESPP in 2019.

Retirement Plan

Upon completing 90 days of service, employees may participate in the Company's qualified retirement plan that is governed by section 401(k) of the IRS Code. Participants may elect to contribute a portion of their annual compensation up to the maximum limit allowed by federal tax law. In the first quarter of 2016, the Company approved an employer match of up to 4% of an employee's eligible compensation with a maximum annual match of $5,000 per employee. The total expense for the employer match for the years ended December 31, 2019, 2018 and 2017 was $4.5 million, $5.0 million and $4.4 million, respectively.

Stock Issued Related to Acquisition

As part of the Springstone acquisition in 2014, the sellers received shares of the Company's Series F convertible preferred stock having an aggregate value of $25.0 million (Share Consideration). $22.1 million of the Share Consideration was subject to certain vesting and forfeiture conditions over a three-year period for key continuing employees. This was accounted for as a compensation agreement and expensed over the three-year vesting period. In conjunction with the conversion of preferred stock upon the IPO, these preferred shares were converted into common shares.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

17. Income Taxes

Loss before income tax expense (benefit) less income (loss) attributable to noncontrolling interests was $(30.9) million, $(128.3) million and $(153.2) million for the years ended December 31, 2019, 2018 and 2017, respectively. Income tax expense (benefit) consisted of the following for the periods shown below:

Year Ended December 31,	2019	2018	2017
Current:			
Federal	$ (141)	$ (57)	$ 498
State	(60)	100	134
Total current tax expense (benefit)	$ (201)	$ 43	$ 632
Deferred:			
Federal	$ —	$ —	$ —
State	—	—	—
Total deferred tax expense (benefit)	$ —	$ —	$ —
Income tax expense (benefit)	$ (201)	$ 43	$ 632

Income tax benefit and expense for the years ended December 31, 2019 and 2017, respectively, were primarily attributable to the tax effects of unrealized gains recorded to other comprehensive income associated with the Company's available for sale portfolio. Income tax expense for the year ended December 31, 2018 was primarily attributable to current state income taxes, partially offset by the tax effects of unrealized gains recorded to other comprehensive income associated with the Company's available for sale portfolio.

A reconciliation of the income taxes expected at the statutory federal income tax rate and income tax expense (benefit) for the years ended December 31, 2019, 2018 and 2017, is as follows:

Year Ended December 31,	2019	2018	2017
Tax at federal statutory rate	$ (6,499)	$ (26,936)	$ (52,089)
State tax, net of federal tax benefit	(60)	100	42
Stock-based compensation expense	4,773	6,559	3,171
Research and development tax credits	(2,336)	(7,839)	(5,022)
Change in valuation allowance	(802)	19,140	(3,532)
Change in unrecognized tax benefit	1,168	3,920	2,922
Tax rate change	—	—	53,048
Non-deductible expenses	3,250	5,143	2,212
Other	305	(44)	(120)
Income tax expense (benefit)	$ (201)	$ 43	$ 632

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

The significant components of the Company's deferred tax assets and liabilities as of December 31, 2019 and 2018 were:

December 31,	2019	2018
Deferred tax assets:		
Net operating loss carryforwards	$ 118,090	$ 128,193
Stock-based compensation	11,480	11,434
Reserves and accruals	23,008	25,373
Operating lease liabilities	33,824	—
Goodwill	19,818	21,580
Intangible assets	3,074	2,782
Tax credit carryforwards	16,679	14,363
Other	498	908
Total deferred tax assets	226,471	204,633
Valuation allowance	(169,526)	(169,291)
Deferred tax assets – net of valuation allowance	$ 56,945	$ 35,342
Deferred tax liabilities:		
Internally developed software	$ (20,225)	$ (21,813)
Servicing fees	(4,389)	—
Depreciation and amortization	—	(4,137)
Operating lease assets	(28,224)	—
Change in tax method	(3,988)	(7,349)
Other	(119)	(2,043)
Total deferred tax liabilities	$ (56,945)	$ (35,342)
Deferred tax asset (liability) – net	$ —	$ —

The Company continues to recognize a full valuation allowance against net deferred tax assets. This determination was based on the assessment of the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. As of December 31, 2019 and 2018, the valuation allowance was $169.5 million and $169.3 million, respectively.

As of December 31, 2019, the Company had federal and state net operating loss (NOL) carryforwards of approximately $397.3 million and $442.3 million, respectively, to offset future taxable income. The federal and majority of state NOL carryforwards start expiring in 2026 and 2028, respectively. Additionally, as of December 31, 2019, the Company had federal and state research and development credit carryforwards of $16.3 million and $16.4 million, respectively. The federal research credit carryforwards will expire beginning in 2026 and the state research credits may be carried forward indefinitely. As of December 31, 2019, the Company also had other state tax credit carryforwards of $2.2 million, which will expire beginning in 2020.

In general, a corporation's ability to utilize its NOL and research and development credit carryforwards may be substantially limited due to the ownership change limitations as required by Section 382 and 383 of the Internal Revenue Code of 1986, as amended (Code), as well as similar state provisions. The federal and state Section 382 and 383 limitations may limit the use of a portion of the Company's domestic NOL and tax credit carryforwards. Further, a portion of the carryforwards may expire before being applied to reduce future income tax liabilities.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

A reconciliation of the beginning and ending balance of total unrecognized tax benefits for the years ended December 31, 2019, 2018 and 2017, is as follows:

Year Ended December 31,	2019	2018	2017
Beginning balance	$ 13,377	$ 7,784	$ 3,246
Gross increase for tax positions related to prior years	—	2,744	2,330
Gross increase for tax positions related to the current year	2,621	2,849	2,208
Ending balance	$ 15,998	$ 13,377	$ 7,784

If the unrecognized tax benefit as of December 31, 2019 is recognized, there will be no effect on the Company's effective tax rate as the tax benefit would increase a deferred tax asset, which is currently offset with a full valuation allowance. The Company recognizes interest and penalties related to unrecognized tax benefits within income tax expense. As of December 31, 2019, the Company had no accrued interest and penalties related to unrecognized tax benefits. The Company does not expect any significant increases or decreases to its unrecognized benefits within the next twelve months.

The Company files income tax returns in the United States and various state jurisdictions. As of December 31, 2019, the Company's federal tax returns for 2015 and earlier, and the state tax returns for 2014 and earlier were no longer subject to examination by the taxing authorities. However, tax periods closed in a prior period may be subject to audit and re-examination by tax authorities for which tax carryforwards are utilized in subsequent years.

18. Leases

The Company has operating leases for its headquarters in San Francisco, California, as well as additional office space for its origination and servicing operations in the Salt Lake City area, Utah, and Westborough, Massachusetts. As of December 31, 2019, the lease agreements have remaining lease terms ranging from approximately two years to ten years. Some of the lease agreements include options to extend the lease term for up to an additional fifteen years and some of them include options to terminate the lease with six months' prior notice. In addition, the Company is the sublessor of a portion of its office space in San Francisco, with lease terms ranging from two years to three years. As of December 31, 2019, the Company pledged $0.9 million of cash and $5.5 million in letters of credit as security deposits in connection with its lease agreements.

Balance sheet information as of December 31, 2019 related to leases was as follows:

ROU Assets and Lease Liabilities	December 31, 2019
Operating lease assets	$ 93,485
Operating lease liabilities [(1)]	$ 112,344

(1) The difference between operating lease assets and operating lease liabilities is the unamortized balance of deferred rent, which prior to January 1, 2019 was included as a separate liability within "Accrued expenses and other liabilities."

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Components of net lease costs for the years ended December 31, 2019, 2018 and 2017, were as follows:

		Year Ended December 31,		
Net Lease Costs	**Income Statement Classification**	**2019**	**2018**	**2017**
Operating lease costs [1]	Other general and administrative expense	$ (19,502)	$ (17,183)	$ (15,780)
Sublease revenue	Other revenue	4,637	397	391
Net lease costs		$ (14,865)	$ (16,786)	$ (15,389)

[1] Includes variable lease costs of $1.6 million, $0.6 million and $0.4 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Supplemental cash flow information related to the Company's operating leases for the year ended December 31, 2019 was as follows:

Year Ended December 31,	**2019**
Non-cash operating activity:	
Leased assets obtained in exchange for new operating lease liabilities [1]	$ 15,277

[1] Represents non-cash activity and, accordingly, is not reflected in the Consolidated Statements of Cash Flows.

The Company's future minimum undiscounted lease payments under operating leases and anticipated sublease revenue as of December 31, 2019 were as follows:

	Operating Lease Payments	**Sublease Revenue**	**Net**
2020	$ 18,219	$ (6,369)	$ 11,850
2021	18,649	(6,560)	12,089
2022	15,010	(2,906)	12,104
2023	11,663	—	11,663
2024	12,002	—	12,002
Thereafter	74,497	—	74,497
Total lease payments [1]	$ 150,040	$ (15,835)	$ 134,205
Discount effect	37,696		
Present value of future minimum lease payments	$ 112,344		

[1] As of December 31, 2019, the Company entered into an additional operating lease which has not yet commenced and is therefore not part of the table above nor included in the lease right-of-use asset and liability. This lease will commence when the Company obtains possession of the underlying asset, which is expected to be on April 1, 2020. The lease term is nine years and has an undiscounted future rent payment of approximately $8.7 million.

The weighted-average remaining lease term and discount rate used in the calculation of the Company's operating lease assets and liabilities were as follows:

Lease Term and Discount Rate	**December 31, 2019**
Weighted-average remaining lease term (in years)	9.67
Weighted-average discount rate	5.75%

19. Commitments and Contingencies

Operating Lease Commitments

For discussion regarding the Company's operating lease commitments, see "*Note 18. Leases.*"

Loan Purchase Obligation

Under the Company's loan account program with WebBank, which serves as the Company's primary issuing bank for loans facilitated through the Company's platform, WebBank retains ownership of the loans it originates for two business days after origination. As part of this arrangement, the Company is committed to purchase the loans at par plus accrued interest, at the conclusion of the two business days. As of December 31, 2019 and 2018, the Company was committed to purchase loans with an outstanding principal balance of $91.3 million and $55.9 million at par, respectively.

Loan Repurchase Obligations

The Company is generally required to repurchase loans or interests therein in the event of identity theft or certain other types of fraud on the part of the borrower or education and patient service providers. The Company may also repurchase loans or interests therein in connection with certain customer accommodations. In connection with certain whole loan and Certificate Program sales, as well as to facilitate access to securitization markets, the Company has agreed to repurchase loans if representations and warranties made with respect to such loans are breached under certain circumstances. In the case of certain securitization transactions, the Company has also agreed to repurchase or substitute loans for which a borrower fails to make the first payment due under a loan. The Company believes such provisions are customary and consistent with institutional loan and securitization market standards.

In addition to and distinct from the repurchase obligations described in the preceding paragraph, the Company performs certain administrative functions for a variety of retail and institutional investors, including executing, without discretion, loan investments as directed by the investor. To the extent loans do not meet the investor's investment criteria at the time of issuance, or are transferred to the investor as a result of a system error by the Company, the Company repurchases such loans or interests therein at par.

As a result of the loan repurchase obligations described above, the Company repurchased $5.5 million, $4.0 million and $2.2 million in loans or interests therein during 2019, 2018 and 2017 respectively.

Purchase Commitments

As required by applicable regulations, the Company must make firm offers of credit with respect to prescreened direct mail it sends out to prospective applicants provided such applicants continue to meet the credit worthiness criteria which were used to screen them at the time of their application. If such loans are accepted by the applicants but not otherwise funded by investors on the platform, the Company is required to facilitate funding for the loans directly with its issuing bank partners. The Company was not required to purchase any such loans during 2019. Additionally, loans in the process of being facilitated through the Company's platform and originated by the Company's issuing bank partner at December 31, 2019, were substantially funded in January 2020. As of the date of this Report, no loans remained without investor commitments and the Company was not required to purchase any of these loans.

In addition, if neither the Company nor Springstone can arrange for other investors to invest in or purchase loans that Springstone facilitates and that are originated by an issuing bank partner but do not meet the credit criteria for purchase by the issuing bank partner, the Company and Springstone are contractually committed to purchase these

loans. As of December 31, 2019 and 2018, the Company had a $9.0 million deposit in a bank account to secure potential future purchases of these loans, if necessary. The funds are recorded as restricted cash on the Company's Consolidated Balance Sheets. During the year ended December 31, 2019, the Company was required to purchase $45.3 million of loans facilitated by Springstone. These purchased loans are held on the Company's Consolidated Balance Sheets and have a fair value of $45.7 million and $26.6 million as of December 31, 2019 and 2018, respectively. The Company believes it will be required to purchase additional loans facilitated by Springstone in 2020 as it seeks to arrange for other investors to invest in or purchase these loans.

Legal

The Company is subject to various claims brought in a litigation or regulatory context. These matters include lawsuits and federal regulatory actions, including but not limited to putative class action lawsuits, derivative lawsuits, and litigation with the FTC. In addition, the Company continues to cooperate in federal and state regulatory examinations, investigations, and actions relating to the Company's business practices and licensing, and is a party to a number of routine litigation matters arising in the ordinary course of business. The majority of these claims and proceedings relate to or arise from alleged state or federal law and regulatory violations, or are alleged commercial disputes or consumer complaints. The Company accrues for costs related to contingencies when a loss from such claims is probable and the amount of loss can be reasonably estimated. In determining whether a loss from a claim is probable and the loss can be reasonably estimated, the Company reviews and evaluates its litigation and regulatory matters on at least a quarterly basis in light of potentially relevant factual and legal developments. If the Company determines an unfavorable outcome is not probable or the amount of loss cannot be reasonably estimated, the Company does not accrue for a potential litigation loss. In those situations, the Company discloses an estimate or range of the reasonably possible losses, if such estimates can be made. Except as otherwise specifically noted below, at this time, the Company does not believe that it is possible to estimate the reasonably possible losses or a range of reasonably possible losses related to the matters described below.

Derivative Lawsuits

In May 2016 and August 2016, respectively, two putative shareholder derivative actions were filed (*Avila v. Laplanche, et al.*, No. CIV538758 and *Dua v. Laplanche, et al.*, CGC-16-553731) against certain of the Company's current and former officers and directors and naming the Company as a nominal defendant. Both actions were voluntarily dismissed without prejudice. On December 14, 2016, another putative shareholder derivative action was filed in the Delaware Court of Chancery (*Steinberg, et al. v. Morris, et al.,* C.A. No. 12984-CB), against certain of the Company's current and former officers and directors and naming the Company as a nominal defendant. In addition, on August 18, 2017, another putative shareholder derivative action was filed in the Delaware Court of Chancery (*Fink, et al. v. Laplanche, et al.*, C.A. No. 2017-0600). These matters arise from claims that the Board allegedly breached its fiduciary duty by failing to provide adequate oversight over the Company's practices and procedures, and purport to plead derivative claims under Delaware law. The Court ultimately consolidated the cases, selecting the *Steinberg* plaintiffs as lead plaintiffs, and designating the *Steinberg* complaint as the operative complaint (consolidated Delaware matter). In June 2018, the Company and the individual defendants brought a motion to dismiss the consolidated Delaware matter on demand futility grounds or in the alternative to stay the matter. Defendants in the consolidated Delaware matter later consented to the filing of a supplemental consolidated complaint in the case, and the plaintiffs filed that supplemental complaint on January 11, 2019. The Company and individual defendants in the case filed motions to dismiss the supplemental complaint on February 22, 2019. A hearing on these motions was held on July 17, 2019. On October 31, 2019, the Court issued a ruling dismissing the supplemental complaint for failure to plead that a majority of the directors on the Company's board would have been unable to impartially consider a pre-suit demand. Plaintiffs did not file an appeal of the Court's ruling by the deadline to file an appeal. The consolidated Delaware matter is therefore concluded.

On November 6, 2017, another putative shareholder derivative action was filed in the U.S. District Court for the Northern District of California *(Sawyer v. Sanborn, et al., No. 3:17-cv-06447)* against certain of the Company's

current and former officers and directors and naming the Company as a nominal defendant. This action was based on allegations similar to those in a consolidated putative securities class action litigation (*In re LendingClub Securities Litigation,* No. 16-cv-02627 (N.D. Cal.)) that was successfully settled in 2018. The plaintiffs in the consolidated Delaware matter were permitted to join with the plaintiffs in the *Sawyer* action for the purposes of settlement. The Court in the *Sawyer* action concurrently ordered all parties (including the intervening consolidated Delaware matter plaintiffs) to participate in a mediation in May 2018, but that mediation did not result in a settlement.

In July 2018, the Company and the individual defendants brought a motion to dismiss the *Sawyer* matter on the grounds that the action was not filed within the applicable statute of limitations. The Court granted that motion and judgment was entered in favor of the defendants. The *Sawyer* plaintiff also attempted to intervene in a previously filed derivative action in the U.S. District Court for the Northern District of California (*Stadnicki v. LaPlanche, et al.*, No. 3:16-cv-03072). The Company and the individual defendants opposed the intervention, and the original *Stadnicki* plaintiff moved to voluntarily dismiss the case. The motion to intervene was denied and the motion to voluntarily dismiss the *Stadnicki* action was granted. Notices of appeal were filed in both the *Sawyer* and *Stadnicki* actions. The appeal in the *Sawyer* matter has been dismissed at the *Sawyer* plaintiff's request. The appeal in the *Stadnicki* matter remains pending and oral argument in that appeal was heard on February 3, 2020. It is not possible for the Company to predict the outcome of the *Stadnicki* action at this time.

FTC Lawsuit

In 2016, the Company received a formal request for information from the Federal Trade Commission (FTC). The FTC commenced an investigation concerning certain of the Company's policies and practices and related legal compliance.

On April 25, 2018, the FTC filed a complaint in the Northern District of California (*FTC v. LendingClub Corporation*, No. 3:18-cv-02454) alleging causes of action for violations of the FTC Act, including claims of deception in connection with disclosures related to the origination fee associated with loans available through the Company's platform, and in connection with communications relating to the likelihood of loan approval during the application process, and a claim of unfairness relating to certain unauthorized charges to borrowers' bank accounts. The FTC's complaint also alleged a violation of the Gramm-Leach-Bliley Act regarding the Company's practices in delivering its privacy notice. In June 2018, the Company brought a motion to dismiss the FTC's complaint, which was heard on September 13, 2018. In an order dated October 3, 2018, the Court denied the motion in part and granted the motion in part, providing the FTC with leave to amend its pleadings. On October 22, 2018, the FTC filed an amended complaint which reasserted the same causes of action from the original complaint. On November 13, 2018, the Company filed an answer to the amended complaint. The FTC subsequently filed a motion seeking to strike certain affirmative defenses pled in the answer and the Company filed an opposition to the motion. On April 29, 2019, the Court issued a ruling denying the FTC's motion in part and granting it in part and allowing the Company to replead certain of the affirmative defenses that were the subject of the FTC's motion. The Company filed an amended answer in the case on May 29, 2019. The discovery period in the case is closed. The Court has issued scheduling orders that set various deadlines in the case, including a June 22, 2020 trial commencement date. The Company denies, and will continue to vigorously defend against, the claims asserted in this case. Notwithstanding the Company's vigorous defense, the Company and the FTC have participated in voluntary settlement conferences and may engage in additional settlement discussions. No assurances can be given as to the timing, outcome or consequences of this matter.

Class Action Lawsuits Following Announcement of FTC Litigation

In May 2018, following the announcement of the FTC's litigation against the Company, putative shareholder class action litigation was filed in the U.S. District Court of the Northern District of California (*Veal v. LendingClub Corporation et.al.,* No. 5:18-cv-02599) against the Company and certain of its current and former officers and

directors alleging violations of federal securities laws in connection with the Company's description of fees and compliance with federal privacy law in securities filings. The Court appointed lead plaintiffs and lead counsel for the litigation in November 2018. On January 7, 2019, the lead plaintiffs filed a consolidated amended class action complaint which asserts the same causes of action as the original complaint and adds additional allegations. On March 8, 2019, the Company and the individual defendants in the case filed motions to dismiss the consolidated amended class action complaint. A hearing on these motions was held on September 26, 2019. On November 4, 2019, the Court issued a written order granting defendants' motions to dismiss with leave to amend. Plaintiff filed a Second Amended Complaint on December 19, 2019, which modifies and adds certain allegations and drops one of the former officer defendants as a defendant in the case, but otherwise advances the same causes of action. Defendants filed a motion to dismiss the Second Amended Complaint on January 28, 2020. This lawsuit is in the early stages. The Company denies and will vigorously defend against the allegations. No assurances can be given as to the timing, outcome or consequences of this matter.

In July 2019, a putative class action lawsuit was filed against the Company in federal court in the State of New York (*Shron v. LendingClub Corp.*, 1:19-cv-06718) alleging various claims including fraud, unjust enrichment, breach of contract, and violations of the federal Truth-in-Lending Act and New York General Business Law sections 349 and 350, et seq., based on allegations, among others, that the Company made misleading or inadequate statements or omissions in relation to the total cost and origination fee associated with loans available through the Company's platform. The plaintiff seeks to represent classes of similarly situated individuals in the lawsuit. The Company has filed a motion to compel arbitration of plaintiff's claims on an individual basis. The timing of a ruling on that motion is unclear. This matter is in the early stages. The Company denies and will vigorously defend against the allegations. No assurances can be given as to the timing, outcome or consequences of this matter.

Derivative Lawsuits Following FTC Litigation

In July 2018, a putative shareholder derivative action was filed in the U.S. District Court for the Northern District of California (*Baron v. Sanborn, et al.* No. 3:18-cv-04391) against certain of the Company's current and former officers and directors and naming the Company as a nominal defendant. This action is based on allegations that the individuals breached their fiduciary duties to the Company and violated federal securities laws by, among other things, permitting the actions alleged in the FTC litigation and the description of fees and other practices in the Company's securities filings. In January 2019, a second putative shareholder derivative action was filed in the U.S. District Court for the Northern District of California (*Cheekatamarla v. Sanborn, et al.*, No. 3:19-cv-00563) against certain of the Company's current officers and directors and naming the Company as a nominal defendant. Like the *Baron* action, this action is based on allegations that the individuals breached their fiduciary duties to the Company and violated federal securities laws by, among other things, permitting the actions alleged in the FTC litigation and the description of fees and other practices in the Company's securities filings. Pursuant to a stipulation by the parties in both of these derivative cases, the Court consolidated the two cases and stayed the consolidated action pending further developments in *Veal*. In September 2019, co-lead counsel for plaintiffs in the consolidated action filed a notice and proposed order to lift the temporary stay and the Court issued an order lifting the stay. Subsequent to this order, the case was reassigned and the new Court issued an order staying the consolidated action pending resolution of the *Veal* action. No assurances can be given as to the timing, outcome or consequences of this consolidated matter.

In August 2019, a putative shareholder derivative action was filed in the Court of Chancery for the State of Delaware (*Fisher v. Sanborn, et al.*, Case No. 2019-0631) against certain of the Company's current and former officers and directors and naming the Company as a nominal defendant. This lawsuit advances allegations similar to those in the consolidated *Baron/Cheekatamarla* actions and the *Veal* action discussed above and accuses the individual defendants of breaching their fiduciary duties by failing to adequately monitor the Company and prevent it from engaging in the purported regulatory violations alleged by the FTC and by causing the Company to make allegedly false and misleading public statements (as alleged in the *Veal* action). The lawsuit also alleges that certain of the individual defendants breached their fiduciary duties by selling Company shares while in possession of

material, non-public information. On October 11, 2019, the Company and the individual defendants filed a motion to dismiss the complaint. In November 2019, rather than opposing defendants motion to dismiss, the plaintiff filed an amended complaint. That same month, the Company and the individual defendants named in the amended complaint filed a motion to dismiss that amended complaint. On January 17, 2020, rather than opposing defendants motion to dismiss, the plaintiff filed a second amended complaint. On January 24, 2020, defendants filed a motion to strike the second amended complaint as improper. No assurances can be given as to the timing, outcome or consequences of this matter.

Regulatory Investigation by the State of Massachusetts

In June 2018, the Company received a civil investigative demand from the office of the Attorney General of the State of Massachusetts. The investigation relates to the advertisement, provision and servicing of personal loans to Massachusetts' consumers facilitated by the Company. The Company is cooperating with the investigation. The Company and the Attorney General's Office have recently communicated regarding questions and concerns the Attorney General's Office has regarding the Company's compliance with the Massachusetts Small Loan Law and the Small Loan Rate Order promulgated under it. The Attorney General's Office has also sent additional information requests to the Company. The Company has finalized an Assurance of Discontinuance with the Attorney General's Office to resolve the investigation, the terms of which are not material to the Company's financial position or results of operations.

In December 2019, the Massachusetts Division of Banks raised concerns pertaining to the Company's compliance with the Massachusetts Small Loan Law similar to those the Massachusetts Attorney General's Office raised during its investigation of the Company. No assurances can be given as to the timing, outcome or consequences of this matter; however, it could result in claims or actions against the Company, including litigation, regulatory enforcement actions, injunctions, monetary damages, fines or penalties, impact our licenses in Massachusetts, or require us to change our business practices or expend operational resources, all of which could result in a material loss or otherwise harm our business.

Regulatory Examinations and Actions Relating to the Company's Business Practices and Licensing

The Company has been subject to periodic inquiries and enforcement actions brought by federal and state regulatory agencies relating to the Company's business practices, the required licenses to operate its business, and its manner of operating in accordance with the requirements of its licenses. In the past, the Company has successfully resolved inquiries in a manner that was not material to its results of financial operations in any period and that did not materially limit the Company's ability to conduct its business.

The Company has had discussions with the Colorado Department of Law (CDL) concerning the licenses required for the Company's servicing operations and the structure of its offerings in the State of Colorado. The Company has also had discussions with the CDL about entering into a terminable agreement with the CDL to, among other things: (i) toll the statutes of limitations on any action the CDL might bring against the Company based on the rates and charges on loans the Company facilitates and (ii) refrain from facilitating certain loans to borrowers located in Colorado available for investment by certain investors. No assurances can be given as to the timing, outcome or consequences of this matter.

The Company is routinely subject to examination for compliance with applicable laws and regulations in the states in which it is licensed. As of the date of this Report, the Company is subject to examination by the New York Department of Financial Services (NYDFS). The Company periodically has discussions with various regulatory agencies regarding its business model and has recently engaged in similar discussions with the NYDFS. During the course of such discussions, which remain ongoing, the Company decided to voluntarily comply with certain rules and regulations of the NYDFS. No assurances can be given as to the timing, outcome or consequences of this matter.

Putative Class Actions

In September 2018, a lawsuit was filed against the Company in the State of New York (*Accardo v. Lending Club, et al.*, 2:18-cv-05030-JS-AKT) asserting an individual claim under the federal Fair Credit Reporting Act against the Company. In early 2019, the plaintiff filed a motion for leave to amend his complaint in the case to assert a putative class claim under the Fair Credit Reporting Act. The plaintiff's proposed amended complaint contends that LendingClub failed to conduct a reasonable investigation into plaintiff's identity theft dispute and plaintiff seeks to represent a class of similarly situated individuals. The Company filed an opposition to plaintiff's motion for leave to amend and also filed a motion to compel arbitration of plaintiff's claim against the Company on an individual basis. The Court has denied the Company's motion to compel arbitration and has ordered a trial on whether an arbitration agreement exists between the Company and Plaintiff. The Court also denied without prejudice Plaintiff's motion for leave to amend. The Company has reached a tentative settlement with the plaintiff to resolve this matter, the terms of which are not material to the Company's financial position or results of operations, and the parties are working to finalize a written settlement agreement. The Company denies and will vigorously defend against the allegations in the event the litigation continues. No assurances can be given as to the timing, outcome or consequences of this matter.

In February 2020, a putative class action lawsuit was filed against the Company in the U.S District Court for the Northern District of California (*Erceg v. LendingClub Corporation*, No. 3:20-cv-01153). The lawsuit alleges violations of California and Massachusetts law based on allegations that LendingClub recorded a call with plaintiff without notifying him that it would be recorded. Plaintiff seeks to represent a purported class of similarly situated individuals who had phone calls recorded by LendingClub without their knowledge and consent. LendingClub has not yet filed a formal response to plaintiff's complaint. No assurances can be given as to the timing, outcome or consequences of this matter.

California Private Attorneys General Lawsuit

In September 2018, a putative action under the California Private Attorney General Act was brought against the Company in the California Superior Court (*Brott v. LendingClub Corporation, et al.*, CGC-18-570047) alleging violations of the California Labor Code. The complaint by a former employee alleges that the Company improperly failed to pay certain hourly employees for all wages owed, pay the correct rate of pay including overtime, and provide accurate wage statements. The lawsuit alleges that the plaintiff and aggrieved employees are entitled to recover civil penalties under the California Labor Code. On January 11, 2019, the Company filed a petition to compel arbitration of the plaintiff's claims and stay the litigation pending a ruling on the motion and arbitration of the matter. Pursuant to the parties' stipulation, in March 2019, the Court issued an order staying the lawsuit pending the parties' participation in a mediation in September 2019. The parties have reached a resolution of this matter, the terms of which are not material to the Company's financial position or results of operations. The resolution will require court approval. The parties have finalized a written settlement agreement and will seek the Court's approval of the negotiated resolution.

Certain Financial Considerations Relating to Litigation and Investigations

With respect to the matters discussed above, the Company had $16.0 million and $12.8 million in accrued contingent liabilities as of December 31, 2019 and 2018, respectively. The increase in accrued contingent liabilities as of December 31, 2019 compared to December 31, 2018 was primarily related to litigation and regulatory matters of $3.3 million during 2019, which is included in "Other general and administrative" expense on the Company's Consolidated Statements of Operations.

Class action and regulatory litigation expense related to significant governmental and regulatory investigations following the internal board review described more fully in "*Management's Discussion and Analysis of Financial*

Condition and Results of Operations – Board Review" contained in *Part II, Item 7* of the Company's Annual Report on Form 10-K for the year ended December 31, 2016, was $35.5 million and $77.3 million for the years ended December 31, 2018 and 2017, respectively. This expense is included in "Class action and regulatory litigation expense" on the Company's Consolidated Statements of Operations. The Company had no class action and regulatory litigation expense for the year ended December 31, 2019.

In addition to the foregoing, the Company is subject to, and may continue to be subject to, legal proceedings and regulatory actions in the ordinary course of business. No assurance can be given as to the timing, outcome or consequences of any of these matters.

20. Segment Reporting

The Company defines operating segments to be components of the Company for which discrete financial information is evaluated regularly by the Company's executive management committee as chief operating decision maker (CODM). For purposes of allocating resources and evaluating financial performance, the Company's CODM reviews financial information by loan product types of personal, education and patient finance, and auto. These product types are individually reviewed as operating segments but are aggregated to represent one reportable segment because the education and patient finance and auto loan product types are immaterial both individually and in the aggregate. In the second quarter of 2019, the Company sold certain assets relating to its small business operating segment and announced that it will connect applicants looking for a small business loan with strategic partners and earn referral fees, instead of facilitating these loans on its platform.

All of the Company's revenue is generated in the United States. No individual borrower or investor accounted for 10% or more of consolidated net revenue for any of the periods presented.

21. Related Party Transactions

Related party transactions must be reviewed and approved by the Audit Committee of the Company's board of directors when not conducted in the ordinary course of business subject to the standard terms of the Company's lending marketplace or certificate investment program. Any material amendment or modification to an existing related party transaction is also subject to the review and approval of the Audit Committee. Related party transactions may include any transaction between entities under common control or with a related person that has occurred since the beginning of the Company's latest fiscal year or is currently proposed. The Company has defined related persons as members of the board of directors, executive officers, principal owners of the Company's outstanding stock and any immediate family members of each such related person, as well as any other person or entity with significant influence over the Company's management or operations.

Several of the Company's executive officers and directors (including immediate family members) have made deposits and withdrawals to their investor accounts and purchased loans or interests therein. The Company believes all such transactions by related persons were made in the ordinary course of business and were transacted on terms and conditions that were not more favorable than those obtained by similarly situated third-party investors.

As of December 31, 2019, the Company had a $7.7 million investment and an approximate 23% ownership interest in an Investment Fund, a private fund that participates in a family of funds with other unrelated third parties. This family of funds purchases whole loans and interests in loans from the Company, as well as other assets from third parties unrelated to the Company. The Company's investment in the Investment Fund is recorded in "Other assets" on the Company's Consolidated Balance Sheets.

During 2019, 2018 and 2017, the family of funds purchased $77 thousand, $6.6 million and $53.3 million, respectively, of whole loans. During 2019, 2018 and 2017, the Company earned $93 thousand, $262 thousand and $734 thousand in investor fees from this family of funds, and paid interest of $778 thousand, $2.9 million and

$7.4 million on the funds' interests in whole loans, respectively. The Company believes that the investor fees charged were on terms and conditions that were not more favorable than those obtained by other third-party investors.

22. Subsequent Events

The Company has evaluated the impact of events that have occurred subsequent to December 31, 2019, through the date the consolidated financial statements were filed with the SEC. Based on this evaluation, other than as recorded or disclosed within these consolidated financial statements and related notes, including as disclosed below, the Company has determined no additional subsequent events were required to be recognized or disclosed.

On February 18, 2020, the Company and Radius Bancorp, Inc. (Radius) entered into an Agreement and Plan of Merger, by and among the Company, a wholly owned-subsidiary of the Company, and Radius, pursuant to which the Company will acquire Radius and thereby acquire its wholly-owned subsidiary, Radius Bank (the Merger), in a cash and stock transaction valued at $185 million (of which $138.75 million is in cash and $46.25 million is in stock), plus certain purchase price and expense adjustments of up to $22 million. The closing of the Merger is subject to regulatory approval and other customary closing conditions, which the Company anticipates can be completed within 15 months, as well as customary transaction costs. The Merger will be accounted for as a business combination. The purchase price will be allocated to the assets acquired and liabilities assumed based on their fair values at the acquisition date.

In order to facilitate compliance with federal banking regulations by the Company's largest stockholder, Shanda Asset Management Holdings Limited and its affiliates (Shanda), on February 18, 2020, the Company entered into a Share Exchange Agreement pursuant to which Shanda will exchange all shares of the Company's common stock held by Shanda for newly issued non-voting convertible preferred stock, series A (the Exchange). In connection with the Exchange, the Company will provide Shanda registration rights and a one-time cash payment of approximately $50 million. To deter future ownership positions in the Company's securities in excess of thresholds set forth by the Federal Reserve under the Bank Holding Company Act, the Company adopted a Temporary Bank Charter Protection Agreement (the Charter Protection Agreement) which provides for the dilution of any person or group of persons that acquires: (i) 25% or more equity interest in the Company, or (ii) 7.5% or more of any class of the Company's voting securities, which threshold shall automatically increase to 10% in connection with the closing of the Exchange. The Charter Protection Agreement is effective as of February 18, 2020, and will automatically expire on the earlier of the closing of the Merger or 18 months. The Company is evaluating the impact the Exchange will have on its consolidated financial statements.

23. Quarterly Results of Operations (Unaudited)

The following table sets forth our unaudited Consolidated Statements of Operations data for each of the eight quarters ended December 31, 2019. The unaudited quarterly statements of operations data set forth below have been prepared on the same basis as our audited consolidated financial statements and reflect, in the opinion of management, all adjustments of a normal, recurring nature that are necessary for a fair statement of the unaudited quarterly statements of operations data. Our historical results are not necessarily indicative of our future operating results. The following quarterly consolidated financial data should be read in conjunction with the consolidated financial statements and the related notes included elsewhere in this Report.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Quarter Ended	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Net revenue:				
Transaction fees	$ 149,951	$ 161,205	$ 152,207	$ 135,397
Interest income	74,791	77,820	92,562	100,172
Interest expense	(49,251)	(55,060)	(66,916)	(75,360)
Net fair value adjustments	(42,659)	(31,628)	(35,974)	(34,729)
Net interest income and fair value adjustments	(17,119)	(8,868)	(10,328)	(9,917)
Investor fees	30,258	30,271	32,272	31,731
Gain on sales of loans	20,373	18,305	13,886	15,152
Net investor revenue [(1)]	33,512	39,708	35,830	36,966
Other revenue	5,023	3,983	2,770	2,055
Total net revenue	188,486	204,896	190,807	174,418
Operating expenses:				
Sales and marketing	67,222	76,255	69,323	66,623
Origination and servicing	22,203	27,996	24,931	28,273
Engineering and product development	41,080	41,455	43,299	42,546
Other general and administrative	57,607	59,485	64,324	56,876
Total operating expenses	188,112	205,191	201,877	194,318
Income (Loss) before income tax expense	374	(295)	(11,070)	(19,900)
Income tax expense (benefit)	140	97	(438)	—
Consolidated net income (loss)	234	(392)	(10,632)	(19,900)
Less: (Loss) Income attributable to noncontrolling interests	—	(9)	29	35
LendingClub net income (loss)	$ 234	$ (383)	$ (10,661)	$ (19,935)
Other data:				
Loan originations [(2)]	$ 3,083,129	$ 3,349,613	$ 3,129,520	$ 2,727,831
Weighted-average common shares – Basic [(3)]	88,371,672	87,588,495	86,719,049	86,108,871
Weighted-average common shares – Diluted [(3)]	88,912,677	87,588,495	86,719,049	86,108,871
Net income (loss) per share attributable to LendingClub: [(3)]				
Basic	$ 0.00	$ 0.00	$ (0.12)	$ (0.23)
Diluted	$ 0.00	$ 0.00	$ (0.12)	$ (0.23)

(1) See "*Note 1. Basis of Presentation*" for additional information.

(2) Loan originations include loans facilitated through the platform plus outstanding purchase commitments at period end. See "*Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Operating and Financial Metrics*" for additional information.

(3) All share and per share information has been retroactively adjusted to reflect a reverse stock split. See "*Note 4. Net Loss Per Share*" for additional information.

(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)

Quarter Ended	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Net revenue:				
Transaction fees	$ 142,053	$ 137,781	$ 135,926	$ 111,182
Interest income	106,170	115,514	127,760	138,018
Interest expense	(83,222)	(90,642)	(100,898)	(110,843)
Net fair value adjustments	(25,865)	(19,554)	(26,556)	(28,713)
Net interest income and fair value adjustments	(2,917)	5,318	306	(1,538)
Investor fees	30,419	29,169	27,400	27,895
Gain on sales of loans	10,509	10,919	11,880	12,671
Net investor revenue [1]	38,011	45,406	39,586	39,028
Other revenue	1,457	1,458	1,467	1,457
Total net revenue	181,521	184,645	176,979	151,667
Operating expenses:				
Sales and marketing	68,353	73,601	69,046	57,517
Origination and servicing	25,707	25,431	25,593	22,645
Engineering and product development	39,552	41,216	37,650	36,837
Other general and administrative	61,303	57,446	57,583	52,309
Goodwill impairment	—	—	35,633	—
Class action and regulatory litigation expense	—	9,738	12,262	13,500
Total operating expenses	194,915	207,432	237,767	182,808
Loss before income tax expense	(13,394)	(22,787)	(60,788)	(31,141)
Income tax expense (benefit)	18	(38)	24	39
Consolidated net loss	(13,412)	(22,749)	(60,812)	(31,180)
Less: Income attributable to noncontrolling interests	50	55	49	1
LendingClub net loss	$ (13,462)	$ (22,804)	$ (60,861)	$ (31,181)
Other data:				
Loan originations [2]	$ 2,871,019	$ 2,886,462	$ 2,818,331	$ 2,306,003
Weighted-average common shares – Basic [3]	85,539,436	84,871,828	84,238,897	83,659,860
Weighted-average common shares – Diluted [3]	85,539,436	84,871,828	84,238,897	83,659,860
Net loss per share attributable to LendingClub: [3]				
Basic	$ (0.16)	$ (0.27)	$ (0.72)	$ (0.37)
Diluted	$ (0.16)	$ (0.27)	$ (0.72)	$ (0.37)

(1) See "*Note 1. Basis of Presentation*" for additional information.

(2) Loan originations include loans facilitated through the platform plus outstanding purchase commitments at period end. See "*Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Operating and Financial Metrics*" for additional information.

(3) All share and per share information has been retroactively adjusted to reflect a reverse stock split. See "*Note 4. Net Loss Per Share*" for additional information.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company's management evaluated, with the participation of the Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO), the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) as of December 31, 2019. In designing and evaluating its disclosure controls and procedures, the Company's management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance, not absolute assurance, of achieving the desired control objectives, and is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based on the evaluation, the Company's CEO and CFO concluded that the Company's disclosure controls and procedures as of December 31, 2019, were designed and functioned effectively to provide reasonable assurance that the information required to be disclosed by the Company in reports filed under the Securities and Exchange Act of 1934, as amended, is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to management, including the principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

The Company's management is responsible for maintaining effective internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting, as defined in Rule 13a-15(f) of the 1934 Act. Under the supervision and with the participation of the Company's CEO and CFO, management conducted an evaluation of the effectiveness of its internal control over financial reporting as of December 31, 2019, based on the criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. As a result of this assessment, management concluded that, as of December 31, 2019, our internal control over financial reporting was effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Deloitte & Touche LLP, has independently audited the effectiveness of our internal control over financial reporting and its report is included below.

All internal control systems, no matter how well designed, have inherent limitations, including the possibility of human error and the circumvention or overriding of controls. Further, because of changes in conditions, the effectiveness of internal controls may vary over time. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Accordingly, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Changes in Internal Control Over Financial Reporting

No change in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934) occurred during the fiscal quarter ended December 31, 2019, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of LendingClub Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of LendingClub Corporation and subsidiaries (the "Company") as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2019, of the Company and our report dated February 19, 2020, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Annual Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

San Francisco, California
February 19, 2020

Item 9B. Other Information

Not Applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by Item 10 will be included in our definitive proxy statement with respect to our 2020 Annual Meeting of Stockholders (Proxy Statement) and is incorporated herein by reference. The Proxy Statement will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days of the end of the 2019 fiscal year.

Item 11. Executive Compensation

The information required by Item 11 will be included in the Proxy Statement under the headings "Board of Directors and Corporate Governance – Director Compensation," "Executive Compensation" and "Report of the Compensation Committee," and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by Item 12 will be included in the Proxy Statement under the headings "Security Ownership of Certain Beneficial Owners and Management" and "Securities Authorized for Issuance Under Equity Compensation Plans," and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by Item 13 will be included in the Proxy Statement under the headings "Related Party Transactions" and "Board of Directors and Corporate Governance – Director Independence," and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by Item 14 will be included in the Proxy Statement under the heading "Ratification of Appointment of Independent Registered Public Accounting Firm," and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedule

(a) Documents filed as part of this Annual Report on Form 10-K:

1. Financial Statements

The following consolidated financial statements are included in Part II, Item 8 of this Annual Report on Form 10-K:

2. Financial Statement Schedule

Financial statement schedules have been omitted because they are not required, not applicable, not present in amounts sufficient to require submission of the schedule, or the required information is shown in the Consolidated Financial Statements or Notes thereto.

3. Exhibits

The documents listed in the Exhibit index of this Annual Report on Form 10-K are incorporated by reference or are filed with this Annual Report on Form 10-K, in each case as indicated therein on the Exhibit Index immediately following the signature page of this Annual Report on Form 10-K.

Item 16. Form 10-K Summary

None.

LENDINGCLUB CORPORATION

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
2.1	Agreement and Plan of Merger, dated as of February 18, 2020, by and among LendingClub Corporation, Radius Bancorp, Inc. and SC Sub I, Inc.	8-K	001-36771	2.1	February 19, 2020	
3.1	Restated Certificate of Incorporation of LendingClub Corporation	8-K	000-54752	3.1	December 16, 2014	
3.2	Certificate of Amendment of Restated Certificate of Incorporation of LendingClub Corporation, effective July 5, 2019	10-Q	001-36771	3.1	August 7, 2019	
3.3	Amended and Restated Bylaws of the Company, effective March 22, 2018	8-K/A	001-36771	3.1	June 22, 2018	
4.1	Form of Indenture by and between LendingClub Corporation and Wells Fargo Bank, National Association	S-1, Amendment No. 3	333-151827	4.2	October 9, 2008	
4.2	First Supplemental Indenture, dated as of July 10, 2009, by and between LendingClub Corporation and Wells Fargo Bank, National Association	S-1, Post-Effective Amendment No. 3	333-151827	4.3	July 23, 2009	
4.3	Second Supplemental Indenture, dated as of May 5, 2010, by and between LendingClub Corporation and Wells Fargo Bank, National Association	S-1, Post-Effective Amendment No. 5	333-151827	4.5	May 6, 2010	
4.4	Form of Three-Year Member Payment Dependent Note (included as Exhibit A to Exhibit 4.6)	S-1, Amendment No. 1	333-198393	4.6	October 20, 2014	
4.5	Form of Five-Year Member Payment Dependent Note (included as Exhibit B to Exhibit 4.6)	S-1, Amendment No. 1	333-198393	4.6	October 20, 2014	
4.6	Third Supplemental Indenture, dated as of October 3, 2014, by and between LendingClub Corporation and Wells Fargo Bank, National Association	S-1, Amendment No. 1	333-198393	4.6	October 20, 2014	
4.7	Form of Common Stock Certificate of LendingClub Corporation	10-Q	001-36771	4.1	November 6, 2019	
4.8	Description of Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934					X
10.1	Form of Indemnity Agreement	S-1, Amendment No. 3	333-198393	10.1	December 1, 2014	
10.2	LendingClub Corporation 2007 Stock Incentive Plan, as amended, and form of award agreement thereunder					X
10.3	2014 Equity Incentive Plan, and forms of award agreements thereunder					X
10.4	Form of Employment Agreement for Chief Executive Officer	S-1, Amendment No. 3	333-198393	10.15	December 1, 2014	
10.5	Form of Employment Agreement for Executive Officers other than Chief Executive Officer	S-1, Amendment No. 3	333-198393	10.16	December 1, 2014	
10.6	Form of Certificate Account Opening and Maintenance Agreement	S-1, Amendment No. 4	333-198393	10.30	December 8, 2014	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.7	Lease Agreement, dated as of April 16, 2015, by and between LendingClub Corporation and 595 Market Street, Inc.	10-Q	001-36771	10.31	May 5, 2015	
10.8	Form of Investor Agreement					X
10.9	Credit and Guaranty Agreement, dated as of December 17, 2015, among LendingClub Corporation, the guarantors party thereto, Morgan Stanley Senior Funding, Inc. and the lenders party thereto	8-K	001-36771	10.1	December 22, 2015	
10.10	Amendment No. 1 to Credit and Guaranty Agreement and Pledge and Security Agreement dated as of September 18, 2018	8-K	001-36771	10.1	September 21, 2018	
10.11	Pledge and Security Agreement, dated December 17, 2015, by and among LendingClub Corporation, the grantors referred to therein and Morgan Stanley Senior Funding, Inc.	8-K	001-36771	10.2	December 22, 2015	
10.12	Form of Master Loan Purchase Agreement					X
10.13	Form of Master Loan Servicing Agreement					X
10.14	Form of Borrower Agreement	10-Q	001-36771	10.1	May 8, 2019	
10.15	Whole Loans Backup Servicing Agreement*	10-Q	001-36771	10.1	August 8, 2017	
10.16	Fractional Loans Backup Servicing Agreement*	10-Q	001-36771	10.2	August 8, 2017	
10.17	Loan and Receivable Sale Agreement, dated February 25, 2016, by and between the Company and WebBank*	8-K	001-36771	10.1	August 17, 2017	
10.18	First Amendment to Loan and Receivable Sale Agreement dated July 23, 2019**	8-K	001-36771	10.2	July 29, 2019	
10.19	Marketing and Program Management Agreement, dated February 25, 2016, by and between the Company and WebBank*	8-K	001-36771	10.2	August 17, 2017	
10.20	First Amendment to Marketing and Program Management Agreement dated July 23, 2019**	8-K	001-36771	10.1	July 29, 2019	
10.21	Amended and Restated Warehouse Credit Agreement dated March 25, 2019**	8-K/A	001-36771	10.1	June 6, 2019	
10.22	Security Agreement dated October 10, 2017*	8-K/A	001-36771	10.2	December 4, 2017	
10.23	Warehouse Credit Agreement dated January 23, 2018*†	8-K	001-36771	10.1	January 26, 2018	
10.24	Security Agreement dated January 23, 2018†	8-K	001-36771	10.2	January 26, 2018	
10.25	Warehouse Credit Agreement dated June 13, 2019	8-K	001-36771	10.1	June 19, 2019	
10.26	Security Agreement dated June 13, 2019	8-K	001-36771	10.2	June 19, 2019	
21.1	List of Subsidiaries					X
23.1	Consent of Deloitte & Touche LLP					X
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
32.1	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101	The following financial information from LendingClub Corporation's Annual Report on Form 10-K for the year ended December 31, 2019 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income (Loss), (iv) the Consolidated Statements of Changes in Stockholders' Equity, (v) the Consolidated Statements of Cash Flows, and (vi) Notes to the Consolidated Financial Statements.					X
104	Cover Page Interactive Data File (as formatted as Inline XBRL and contained in Exhibit 101)					

* Confidential treatment has been requested for certain portions of this Exhibit. The omitted material has been filed separately with the SEC.

** Certain information in the exhibit was omitted pursuant to Item 601(b)(2) of Regulation S-K because it is both not material and would be competitively harmful if publicly disclosed. The Company undertakes to furnish, supplementally, a copy of the unredacted exhibit to the SEC upon request.

† Schedules have been omitted as they are not material, not applicable or not required. They will be furnished supplementally to the SEC upon request.

LENDINGCLUB CORPORATION

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 19, 2020

LENDINGCLUB CORPORATION

By: /s/ Scott Sanborn
Scott Sanborn
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Scott Sanborn and Thomas Casey, jointly and severally, his or her attorney-in-fact, with the power of substitution, for him or her in any and all capacities, to sign any amendments to this Annual Report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact, or his or her substitute or substitutes, may do or cause to be done by virtue hereof.

LENDINGCLUB CORPORATION

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Scott Sanborn Scott Sanborn	Chief Executive Officer	February 19, 2020
/s/ Thomas W. Casey Thomas W. Casey	Chief Financial Officer	February 19, 2020
/s/ Fergal Stack Fergal Stack	Principal Accounting Officer	February 19, 2020
/s/ Susan Athey Susan Athey	Director	February 19, 2020
/s/ Daniel T. Ciporin Daniel T. Ciporin	Director	February 19, 2020
/s/ Kenneth Denman Kenneth Denman	Director	February 19, 2020
/s/ Timothy J. Mayopoulos Timothy J. Mayopoulos	Director	February 19, 2020
/s/ Patricia McCord Patricia McCord	Director	February 19, 2020
/s/ John C. Morris John C. Morris	Director	February 19, 2020
/s/ Simon Williams Simon Williams	Director	February 19, 2020
/s/ Michael Zeisser Michael Zeisser	Director	February 19, 2020

EXHIBIT 4.8

DESCRIPTION OF REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

The following description sets forth certain material terms and provisions of the securities of LendingClub Corporation that are registered under Section 12 of the Securities Exchange Act of 1934, as amended. This description also summarizes relevant provisions of Delaware law. The following summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the applicable provisions of Delaware law and our restated certificate of incorporation and our amended and restated bylaws, copies of which are incorporated by reference as exhibits to the Annual Report on Form 10-K of which this Exhibit 4.8 is a part. We encourage you to read our restated certificate of incorporation, our amended and restated bylaws and the applicable provisions of Delaware law for additional information.

Authorized Capital Stock

Our restated certificate of incorporation authorizes us to issue up to 180,000,000 shares of common stock, par value $0.01 per share, and 10,000,000 shares of preferred stock, par value $0.01 per share.

Common Stock

Common Stock Outstanding. Our common stock currently outstanding is fully paid and nonassessable.

Dividend Rights. Subject to preferences that may apply to shares of preferred stock outstanding at the time, the holders of outstanding shares of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine.

Voting Rights. Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders. Our restated certificate of incorporation does not provide for cumulative voting for the election of directors. Accordingly, holders of a majority of the shares of our common stock are able to elect all of our directors. Our restated certificate of incorporation establishes a classified board of directors, to be divided into three classes with staggered three-year terms. Only one class of directors is elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms.

No Preemptive or Similar Rights. Our common stock is not entitled to preemptive rights and is not subject to conversion, redemption or sinking fund provisions.

Right to Receive Liquidation Distributions. Upon our dissolution, liquidation or winding-up, the assets legally available for distribution to our stockholders are distributable ratably among the holders of our common stock, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights and payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Preferred Stock

Pursuant to the provisions of our restated certificate of incorporation, our board of directors is authorized, subject to limitations prescribed by Delaware law, to issue convertible preferred stock in one or more series, to establish from time to time the number of shares to be included in each series and to fix the designation, vesting, powers, preferences and relative, participating, optional or other rights, if any, of the shares of each series and any of its qualifications, limitations or restrictions, in each case without further vote or action by our stockholders. The issuance of preferred stock could, among other things, have the effect of delaying, deferring or preventing a change in control of our company and might adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock.

Anti-Takeover Provisions

The provisions of Delaware law and our restated certificate of incorporation and amended and restated bylaws could have the effect of delaying, deferring or discouraging another person from acquiring control of our

company. These provisions, which are summarized below, may have the effect of discouraging takeover bids. They are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Delaware Anti-Takeover Law

We are governed by the provisions of Section 203 of the Delaware General Corporation Law regulating corporate takeovers. This section prevents some Delaware corporations from engaging, under some circumstances, in a business combination, which includes a merger or sale of at least 10% of the corporation's assets with any interested stockholder, meaning a stockholder who, together with affiliates and associates, owns or, within three years prior to the date of the transaction in which the person became an interested stockholder, did own 15% or more of the corporation's outstanding voting stock, unless:

- the transaction is approved by the board of directors prior to the time that the interested stockholder became an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder's becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced; or
- at or subsequent to such time that the stockholder became an interested stockholder, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders by at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

A Delaware corporation may "opt out" of these provisions with an express provision in its original certificate of incorporation or an express provision in its certificate of incorporation or bylaws resulting from a stockholders' amendment approved by at least a majority of the outstanding voting shares. We have not opted out of these provisions. As a result, mergers or other takeover or change in control attempts may be discouraged or prevented. We also anticipate that Section 203 may discourage attempts that might result in a premium over the market price for the shares of outstanding common stock.

Certificate of Incorporation and Bylaws Provisions

Our restated certificate of incorporation and our amended and restated bylaws include a number of provisions that may have the effect of deterring hostile takeovers or delaying or preventing changes in control of our management team, including the following:

- *Board of Directors Vacancies*. Our restated certificate of incorporation and amended and restated bylaws authorize only our board of directors to fill vacant directorships, including newly created seats. In addition, the number of directors constituting our board of directors may be set only by a resolution adopted by a majority vote of our entire board of directors. These provisions prevent a stockholder from increasing the size of our board of directors and then gaining control of our board of directors by filling the resulting vacancies with its own nominees. This makes it more difficult to change the composition of our board of directors but promotes continuity of management.
- *Classified Board*. Our restated certificate of incorporation and amended and restated bylaws provide that our board of directors is classified into three classes of directors, each with staggered three-year terms. A third party may be discouraged from making a tender offer or otherwise attempting to obtain control of us as it is more difficult and time consuming for stockholders to replace a majority of the directors on a classified board of directors.
- *Stockholder Action; Special Meetings of Stockholders*. Our restated certificate of incorporation provides that our stockholders may not take action by written consent, but may only take action at annual or special meetings of our stockholders. As a result, a holder controlling a majority of our capital stock is unable to amend our amended and restated bylaws or remove directors without holding a meeting of our stockholders called in accordance with our amended and restated bylaws. Further, our amended and restated bylaws and restated certificate of incorporation provide that special meetings of our stockholders may be called only by a majority of our board of directors, the chairman of our board of directors, our Chief Executive Officer or our President, thus prohibiting a stockholder from calling a

special meeting. These provisions could delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors.

- *Advance Notice Requirements for Stockholder Proposals and Director Nominations*. Our amended and restated bylaws provide advance notice procedures for stockholders seeking to bring business before our annual meeting of stockholders or to nominate candidates for election as directors at our annual meeting of stockholders. Our amended and restated bylaws also specify certain requirements regarding the form and content of a stockholder's notice. These provisions might preclude our stockholders from bringing matters before our annual meeting of stockholders or from nominating directors at our annual meeting of stockholders if the proper procedures are not followed. These provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.
- *No Cumulative Voting*. The Delaware General Corporation Law provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless a corporation's restated certificate of incorporation provides otherwise. Neither our restated certificate of incorporation nor amended and restated bylaws provide for cumulative voting.
- *Directors Removed Only for Cause*. Our restated certificate of incorporation provides that stockholders may remove directors only for cause and only by the affirmative vote of the holders of at least two-thirds of our outstanding common stock.
- *Amendment of Charter Provisions*. Any amendment of the provisions in our restated certificate of incorporation described above would require approval by holders of at least two-thirds of our outstanding common stock.
- *Issuance of Undesignated Preferred Stock*. Our board of directors has the authority, without further action by the stockholders, to issue up to 10,000,000 shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of preferred stock would enable our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or other means. Subsequent to December 31, 2019, our board of directors approved the designation of 200,000 shares of Series A Preferred Stock, par value $0.01 per share, and 600,000 shares of Series B Preferred Stock, par value $0.01 per share. As of the date hereof, no such shares of preferred stock have been issued.

Temporary Bank Charter Protection Agreement

Effective February 18, 2020, our board of directors authorized and declared a dividend of one right for each outstanding share of common stock (each such right, a "Common Right") and one right for each outstanding share of Series A Preferred Stock (each such right, a "Series A Preferred Right" and, together with the Common Rights, the "Rights") in each case to stockholders of record at the Close of Business (as defined in the Temporary Bank Charter Protection Agreement, dated February 18, 2020, by and between us and American Stock Transfer & Trust Company, LLC as rights agent (the "Protection Agreement")) on March 19, 2020 (the "Record Date"), and authorized the issuance of one Common Right or one Series A Preferred Right (as such number may be adjusted pursuant to the Protection Agreement) for each share of common stock or Series A Preferred Stock, respectively, issued between the Record Date and the earlier of the Distribution Date (as defined below) and the Expiration Date (as defined below) and, in some cases, through the Expiration Date.

Each Common Right entitles the registered holder, subject to the terms of the Protection Agreement, to purchase from us one one-thousandth of a share (a "Unit") of the Series B Preferred Stock, at a purchase price of $48.00 per Unit, subject to adjustment. Each Series A Preferred Right entitles the registered holder, subject to the terms of the Protection Agreement, to purchase from us one share of Series A Preferred Stock, at a purchase price of $4,800.00 per share, subject to adjustment. The purchase price is payable in cash or by certified or bank check or money order payable to the order of LendingClub Corporation.

Distribution Date. Initially, the Rights will attach to all certificates representing shares of outstanding common stock and Series A Preferred Stock, and no separate Rights Certificates will be distributed. Subject to the provisions

of the Protection Agreement, the Common Rights may separate from the common stock (though the Series A Preferred Rights shall not separate from the Series A Preferred Stock) and the "Distribution Date" will occur upon the earlier of (i) ten business days following a public announcement (the date of such announcement being the "Stock Acquisition Date") (or, if the tenth business day after the Stock Acquisition Date occurs before the Record Date, the Close of Business on the Record Date) that a Person (as defined in the Protection Agreement), acting directly or indirectly or through or in concert with one or more Persons, has acquired control over securities representing either (x) either (1) from and after the first public announcement by us of the closing of the Exchange (as defined in the Protection Agreement), 10% or more, or (2) until such announcement, 7.5% or more (or more than 15% in some cases specified in the Protection Agreement) of any class of our then-outstanding Voting Securities (as defined in the Protection Agreement) or (y) 25% or more of our total equity (such Person an "Acquiring Person"), and (ii) ten business days (or such later date as may be determined by our board of directors) following the commencement of a tender offer or exchange offer that would result in a Person becoming an Acquiring Person. Any determinations under the definition of Acquiring Person shall be made by our board of directors and in a manner consistent with the provisions of Regulation Y (as defined in the Protection Agreement) and the published interpretations of the Board of Governors (as defined in the Protection Agreement) of the Federal Reserve System and the published rulings and opinions of the staff of the Board of Governors of the Federal Reserve System thereunder.

Until the Distribution Date, the Rights will be evidenced by common stock and Series A Preferred Stock certificates and will be transferred with and only with such common stock and Series A Preferred Stock certificates. Until the Distribution Date or, in the case of Series A Preferred Stock, the Expiration Date, the surrender for transfer of any certificates representing outstanding common stock or outstanding Series A Preferred Stock will also constitute the transfer of the Rights associated with common stock or Series A Preferred Stock represented by such certificates.

An "Acquiring Person" does not include certain Persons specified in the Protection Agreement.

The Rights are not exercisable until the Distribution Date and will expire at the Close of Business on the eighteen-month anniversary of the Protection Agreement or if earlier at the time of consummation of the Relevant Transaction (as defined in the Protection Agreement) or under certain circumstances in connection with a transaction pursuant to a Qualified Offer (as defined in the Protection Agreement) (the "Expiration Date"), unless earlier redeemed or exchanged by us as described below. Under certain circumstances, as provided in the Protection Agreement, the exercisability of the Rights may be suspended.

As soon as practicable after the Distribution Date, Rights Certificates will be mailed to holders of record of common stock and Series A Preferred Stock as of the Close of Business on the Distribution Date (and to each initial holder of certain shares of common stock and Series A Preferred Stock issued after the Distribution Date) and, thereafter, the separate Rights Certificates alone will represent the Rights, provided, that the Company may choose to issue Rights in book-entry form.

Flip-In. If a Person becomes an Acquiring Person, then each holder of a Right will thereafter have the right to buy either Series A Preferred Stock, in the case of Series A Preferred Rights, or common stock, in the case of Common Rights, at one-half of market price (determined as provided in the Protection Agreement), for the exercise price of a Right. Notwithstanding any of the foregoing, following the occurrence of the event set forth in this paragraph, all Rights that are, or (under certain circumstances specified in the Protection Agreement) were, beneficially owned by any Acquiring Person or any affiliate or associate thereof (or certain transferees of any thereof) will be null and void.

Flip-Over. If, at any time following the date that any Person becomes an Acquiring Person, (i) we are acquired in a merger or other business combination transaction and we are not the surviving corporation, (ii) any Person merges with us and all or part of our common stock is converted or exchanged for securities, cash or property of us or any other Person or (iii) one-half or more of our assets, cash flow or earning power is sold or transferred, each holder of a Right (except Rights which previously have been voided as described above) shall thereafter have the right to receive, upon exercise, common stock of the acquiring company having a value equal to two times the exercise price of the Right.

Redemption. At any time until ten business days following the Stock Acquisition Date (or, if the Stock Acquisition Date shall have occurred prior to the Record Date, until ten business days following the Record Date), our board of directors may redeem the Rights in whole, but not in part, at a price of $0.001 per Right (subject to adjustment in certain events) payable, at the election of our board of directors, in cash, shares of common stock or other consideration deemed appropriate by our board of directors. Immediately upon the action of our board directors ordering the redemption of the Rights, the Rights will terminate and the only right of the holders of Rights will be to receive the redemption price.

Exchange. We may, at any time after which a Person becomes an Acquiring Person, until the time specified in the Protection Agreement, exchange all or part of the then-outstanding and exercisable Rights (other than Rights that shall have become null and void) for Units or shares of Preferred Stock or shares of common stock pursuant to a one-for-one exchange ratio, subject to adjustment.

No Stockholder Rights; Taxation. Until a Right is exercised, the holder thereof, as such, will have no rights as our stockholder, including the right to vote or to receive dividends. While the distribution of the Rights will not be taxable to stockholders or to us, stockholders may, depending upon the circumstances, recognize taxable income in the event that the Rights become exercisable or in the event of the redemption of Rights as set forth above.

Amendment. Any of the provisions of the Protection Agreement may be amended without the approval of the holders of the Rights or common stock or Series A Preferred Stock at any time prior to the Distribution Date. After such date, the provisions of the Protection Agreement may be amended in order to cure any ambiguity, defect or inconsistency, to shorten or lengthen any time period under the Protection Agreement, or to make changes which do not adversely affect the interests of holders of Rights (excluding the interests of any Acquiring Person); provided, that no amendment shall be made to lengthen (i) the time period governing redemption at such time as the Rights are not redeemable or (ii) any other time period unless such lengthening is for the purpose of protecting, enhancing or clarifying the rights of, and/or the benefits to, the holders of Rights.

Listing

Our common stock is listed on the New York Stock Exchange under the symbol “LC.”

Transfer Agent and Registrar

Our transfer agent for the common stock is American Stock Transfer & Trust Company, LLC.

LENDINGCLUB CORPORATION
2007 Stock Incentive Plan
ARTICLE 1
Background and Purpose of the Plan

Section 1.1 Background. This 2007 Stock Incentive Plan (the "*Plan*") permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Restricted Stock and other stock-based awards.

Section 1.2 Purpose. The purposes of the Plan are (a) to attract and retain the best available personnel for positions of substantial responsibility, (b) to provide additional incentive to Employees, Directors and Consultants, and (c) to promote the success of the business of the Company.

Section 1.3 Eligibility. All of the Company's Service Providers are eligible to be granted Awards under the Plan. Incentive Stock Options may be granted only to Employees.

Section 1.4 Definitions. Capitalized terms used in the Plan and not otherwise defined herein shall have the meanings assigned to such terms in the attached Appendix.

ARTICLE 2
Shares Subject To The Plan

Section 2.1 Shares Subject to the Plan. Subject to adjustment under Section 2.3, the number of shares of Common Stock initially reserved for issuance pursuant to Awards made under the Plan shall not exceed Shares. Shares issued under the Plan may consist in whole or in part of authorized but unissued shares or treasury shares.

Section 2.2 Lapsed Awards. If an Award expires or is terminated, surrendered or cancelled without having been exercised in full, or is surrendered pursuant to an Exchange Program, or is otherwise forfeited in full or in part, including as a result of Restricted Stock or Optioned Stock or other Shares constituting or subject to an Award being repurchased by the Company pursuant to the contractual repurchase right as specified in the Award Agreement, then the unissued Shares which were subject to such Award and/or such surrendered, cancelled or forfeited Shares (as the case may be) shall become available for future grant or sale under the Plan (unless the Plan has terminated), subject however, in the case of Incentive Stock Options to any limitations under the Code. If an Award is exercised, in whole or in part, by delivery or attestation of Shares under Section 4.3(b), the number of Shares deemed to have been issued under the Plan shall be the number of Shares which were subject to the Award or portion thereof so exercised and not the net number of Shares actually issued upon such exercise.

Section 2.3 Adjustments. In the event that there is any stock dividend on the Shares payable in Shares, or any stock split, reverse stock split, combination or reclassification of

Shares, or any other increase in the number of outstanding Shares without receipt of consideration by the Company, then the maximum aggregate number and class of securities available for Awards under Section 2.1 of the Plan, the maximum number and class of securities issuable to a Service Provider under Section 4.1(c) of the Plan, and any other limitation under this Plan on the maximum number and class of securities issuable to an individual or in the aggregate, and the price of securities covered by each outstanding Option shall be proportionately adjusted by the Administrator as it deems equitable in its absolute discretion to prevent dilution or enlargement of the rights of the Participants; provided that any fractional Shares resulting from such adjustments shall be eliminated. The Administrator's determination with respect to any such adjustments shall be conclusive.

ARTICLE 3
Administration of the Plan

Section 3.1 Board and Committees. The Plan shall be administered by (i) the Board or (ii) a Committee which shall comply with Applicable Laws. Different Committees with respect to different groups of Service Providers may administer the Plan.

Section 3.2 Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its discretion: (a) to determine the Fair Market Value; (b) to select the Service Providers to whom Awards may be granted hereunder; (c) to determine the number of shares of Common Stock to be covered by each Award granted hereunder; *provided, however* that in no event shall Awards with more than the number of Shares reserved under the Plan pursuant to Section 2.1 be granted to any Service Provider in any fiscal year; (d) to approve forms of agreement for use under the Plan; (e) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder, such terms and conditions including, without limitation, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting, acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the shares of Common Stock relating thereto, based in each case on such factors as the Administrator, in its sole discretion, shall determine; (f) to institute an Exchange Program; (g) to construe and interpret the terms of the Plan and awards granted pursuant to the Plan; (h) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws; (i) to modify or amend each Award (subject to Section 10.4 of the Plan), including the discretionary authority to extend the post-termination exercisability period of Options longer than is otherwise provided for in the Plan; (j) to allow Participants to satisfy withholding tax obligations by electing to have the Company withhold from the Shares to be issued upon exercise of an Award that number of Shares having a Fair Market Value equal to the minimum amount required to be withheld (the Fair Market Value of the Shares to be withheld shall be determined as of the date that the amount of tax to be withheld is to be determined and all elections by a Participant to have Shares withheld for this purpose shall be made in such form and under such conditions as the Administrator may deem necessary or advisable); (k) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator; (1) allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant under an Award, and (m) to make all other determinations deemed necessary or advisable for administering the Plan.

Section 3.3 Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations shall be final and binding on all Participants and any other holders of Awards.

Section 3.4 Delegation to Executive Officers. To the extent permitted by Applicable Law, the Board may delegate to one or more executive officers of the Company the power to grant Awards to Employees and to exercise such other powers under the Plan as the Board may determine, provided that the Administrator shall fix the terms of the Awards to be granted by such executive officers (including the exercise price of such Awards, which may include a formula by which the exercise price will be determined) and the maximum number of shares subject to Awards that the executive officers may grant; *provided, however,* that no executive officer shall be authorized to grant Awards to any "executive officer" of the Company (as defined by Rule 3b~7 under the Exchange Act) or to any "officer" of the Company (as defined by Rule 16a-l under the Exchange Act).

ARTICLE 4
Stock Options

Section 4.1 Limitations.

(a) No Option shall have a term in excess of 10 years measured from the date of grant; *provided, however,* that in the case of any Incentive Stock Option granted to a 10% Stockholder, the term of such Incentive Stock Option shall not exceed five years measured from the date of grant.

(b) Subject to Section 4.6, the exercise price per share of an Option shall not be less than 100% of the Fair Market Value per Share on the date of grant; *provided, however,* that in the case of any Incentive Stock Option granted to a 10% Stockholder, the exercise price per share of such Incentive Stock Option shall not be less than 110% of the Fair Market Value per share of Common Stock on the date of grant of the Option.

(c) Each Option shall be designated in the Award Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary of the Company) exceeds $100,000, such Options shall be treated as Nonstatutory Stock Options. For purposes of this Section 4.1(c), Incentive Stock Options shall be taken into account in the order in which they were granted. The Fair Market Value of the Shares shall be determined as of the date that the Option with respect to such Shares is granted.

(d) The Company shall have no liability to a Participant, or any other party, if an Option (or any part thereof) which is intended to be an Incentive Stock Option is not an Incentive Stock Option.

Section 4.2 Terms of Option. Subject to Section 4.1, the term, exercise price, vesting schedule and other conditions and limitations applicable to each Option shall be as determined by the Administrator and shall be stated in the Award Agreement.

Section 4.3 Form of Consideration. The Administrator shall determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator shall determine the acceptable form of consideration at the time of grant. To the extent approved by the Administrator, the consideration for exercise of an Option may be paid as follows:

(a) by cash, check or other cash equivalent approved by the Administrator;

(b) subject to the last paragraph of this Section 4.3, by the tendering of other Shares to the Company or the attestation to the ownership of the Shares that otherwise would be tendered to the Company in exchange for the Company's reducing the number of Shares necessary for payment in full of the Option price for the Shares so purchased;

(c) any combination of the forms of consideration set forth in subsections (a) and (b) above.

Shares tendered or attested to in exchange for Shares issued under the Plan may not be shares of Restricted Stock at the time they are tendered or attested to. The Administrator shall determine acceptable methods for tendering or attesting to Shares to exercise an Option under the Plan and may impose such limitations and prohibitions on the use of Shares to exercise Options as it deems appropriate. For purposes of determining the amount of the Option price satisfied by tendering or attesting to Shares, such Shares shall be valued at their Fair Market Value on the date of tender or attestation, as applicable. The date of exercise shall be deemed to be the date that the notice of exercise and payment of the Option price are received by the Administrator.

Section 4.4 Exercise of Option.

(a) Procedure for Exercise: Rights as a Stockholder. Any Option granted hereunder shall be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share. An Option shall be deemed exercised when the Company receives: (i) written or electronic notice of exercise (in accordance with the Award Agreement) from the person entitled to exercise the Option and (ii) full payment for the Shares with respect to which the Option is exercised. Shares issued upon exercise of an Option shall be issued in the name of the Participant. The Shares shall be deemed issued, and the Participant shall be deemed the record holder of the Optioned Stock, on the date when the Option has been deemed exercised in accordance with this Section 4.4(a). Until such date, no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. No adjustment will be made for a

dividend or other right for which the record date is prior to the date the Shares are issued. Notwithstanding anything in this Section 4.4(a) to the contrary, in the event that the Company effects a split of the Common Stock by means of a stock dividend and the exercise price of and number of shares subject to an Option are adjusted as of the date of distribution of the dividend (rather than as of the record date for such dividend), then a Participant who exercises such Option between the record date and the distribution date for such stock dividend shall be entitled to receive, on the distribution date, the stock dividend with respect to the Optioned Stock, notwithstanding the fact that such Optioned Stock was not outstanding as of the close of business on the record date for such stock dividend.

(b) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon the Participant's death or Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option shall remain exercisable for three months following the Participant's termination.

(c) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option shall remain exercisable for 12 months following the Participant's termination.

(d) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised following the Participant's death within such period of time as is specified in the Award Agreement to the extent that the Option is vested on the date of death (but in no event may the option be exercised later than the expiration of the term of such Option as set forth in the Award Agreement), by the Participant's designated beneficiary, provided such beneficiary has been designated prior to Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. In the absence of a specified time in the Award Agreement, the Option shall remain exercisable for 12 months following Participant's death.

Section 4.5 Repurchase Rights.

(a) If the Participant ceases to be a Service Provider for any reason (with or without cause), including, without limitation, as the result of the Participant's death or Disability, the Company shall have the right to repurchase any or all of such Shares within such period of time and for such purchase price and upon such other terms and conditions as specified in the Award Agreement.

(b) The Administrator shall have the discretion to grant Options which are exercisable for unvested Shares. If the Participant ceases to be a Service Provider while holding

such unvested Shares, the Company shall have the right to repurchase any or all of those unvested Shares within such period of time and for such purchase price and upon such other terms and conditions as specified in the Award Agreement.

(c) The terms upon which the repurchase rights set forth in Sections 4.5(a) and (b) above shall be exercisable by the Administrator (including the period and procedure for exercise and the appropriate vesting schedule for the purchased Shares) shall be established by the Administrator and set forth in the Award Agreement.

Section 4.6 Substitute Awards. In connection with a merger or consolidation of an entity with the Company or the acquisition by the Company of property or stock of an entity, the Administrator may grant Awards in substitution for any options or other stock or stock-based awards granted by such entity or an affiliate thereof. Such substitute Awards may be granted on such terms as the Administrator deems appropriate in the circumstances, notwithstanding any limitations on Awards contained in the Plan.

ARTICLE 5
Restricted Stock

Section 5.1 Grant of Restricted Stock. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, shall determine.

Section 5.2 Restricted Stock Agreement. Each Award of Restricted Stock shall be evidenced by an Award Agreement that shall specify the Period of Restriction, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, shall determine. Unless the Administrator determines otherwise, Shares of Restricted Stock shall be held by the Company as escrow agent until the restrictions on such Shares have lapsed.

Section 5.3 Transferability. Except as provided in this Article 5, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

Section 5.4 Other Restrictions. The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

Section 5.5 Removal of Restrictions. Except as otherwise provided in this Article 5, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan shall be released from escrow as soon as practicable after the last day of the Period of Restriction. The Administrator, in its discretion, may accelerate the time at which any restrictions shall lapse or be removed. Subject to Section 8.4, after the restrictions have lapsed, the Service Provider shall be entitled to have any legend or legends relating to restrictions provided pursuant to this Article 5 removed from his or her Share certificate, and the Shares shall be freely transferable by the Service Provider.

Section 5.6 Voting Rights. During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless otherwise provided in the Award Agreement.

Section 5.7 Dividends and Other Distributions. During the Period of Restriction, Service Providers holding Shares of Restricted Stock shall be entitled to receive all dividends and other distributions paid with respect to such Shares unless otherwise provided in the Award Agreement. If any such dividends or distributions are paid in Shares, the Shares shall be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid.

Section 5.8 Right of Repurchase of Restricted Stock.

(a) The Company shall have the right to repurchase any or all of such Shares of Restricted Stock within such period of time and for such purchase price and upon such terms and conditions as are specified in the Award Agreement.

(b) The Company shall have the right to repurchase any or all of such shares that are no longer Restricted Stock within such period of time and for such purchase price and upon such terms and conditions as are specified in the Award Agreement.

Section 5.9 Performance Criteria.

(a) The Administrator may provide for the lapse or removal of restrictions on Restricted Stock using one or more of the performance objectives set forth on Schedule A and/or such other performance objectives as the Administrator may determine in its sole discretion. Any such performance objective shall be sufficiently specific that a third party having knowledge of the relevant facts could determine whether the objective is met.

(b) If the Administrator provides for the lapse or removal of restrictions on Restricted Stock based on performance objectives, the Administrator shall, at the time it establishes the performance objectives, specify the period over which the performance objectives relate. The establishment of the actual performance objectives and, if an Award of Restricted Stock is based on more than one performance objective, the relative weighting of such criteria, shall be at the sole discretion of the Administrator.

ARTICLE 6
Other Stock-Based Awards

Section 6.1 Other Stock-Based Awards. The Administrator shall have the right to grant other Awards based upon the Common Stock having such terms and conditions as the Administrator may determine, including without limitation the grant of Shares based upon certain conditions, the grant of securities convertible into Shares, the grant of performance units or performance shares and the grant of stock appreciation rights.

ARTICLE 7
Option Grants to Outside Directors

Section 7.1 Grants. Options may be granted to Outside Directors in accordance with the policies established from time to time by the Board specifying the number of Shares (if any) to be subject to each such Award and the time(s) at which such Awards shall be granted.

Section 7.2 Type of Options. All Options granted pursuant to this Article 7 shall be Nonstatutory Stock Options and, except as otherwise provided herein, shall be subject to the other terms and conditions of the Plan.

ARTICLE 8
Additional Terms of Awards

Section 8.1 Transferability of Awards. Unless determined otherwise by the Administrator, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, such Award shall contain such additional terms and conditions as the Administrator deems appropriate. Notwithstanding the foregoing, subject to the approval of the Administrator in its sole discretion, Awards other than Incentive Stock Options may be transferable to members of the immediate family of the Participant and to one or more trusts for the benefit of such family members, partnerships in which such family members are the only partners, or corporations in which such family members are the only stockholders. "Members of the immediate family" means the Participant's spouse, children, stepchildren, grandchildren, parents, grandparents, siblings (including half brothers and sisters), and individuals who are family members by adoption.

Section 8.2 No Effect on Employment or Service. Neither the Plan nor any Award shall confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company, nor shall they interfere in any way with the Participant's right or the Company's right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

Section 8.3 Date of Grant. The date of grant of an Award shall be, for all purposes, the date on which the Administrator grants such Award, or such later date as is specified by the Administrator as the date of grant. Notice of any grant shall be provided to each Participant within a reasonable time after the date of such grant.

Section 8.4 Conditions Upon Issuance of Shares. The Company will not be obligated to deliver any Shares pursuant to the Plan or to remove restrictions from Shares previously delivered under the Plan until (a) all conditions of the Award have been met or removed to the satisfaction of the Administrator, (b) subject to approval of the Company's counsel, all other legal matters in connection with the issuance and delivery of such shares have been satisfied, including any Applicable Laws and (c) the Participant has executed and delivered to the Company such representations or agreements as the Administrator may consider appropriate to satisfy the requirements of Applicable Laws.

Section 8.5 Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

Section 8.6 Withholding.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to an Award (or exercise thereof), the Company shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, and local taxes (including the Participant's FICA obligation) required to be withheld with respect to such Award (or exercise thereof).

(b) Withholding Arrangements. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit a Participant to satisfy such tax withholding obligation, in whole or in part by (a) electing to have the Company withhold otherwise deliverable Shares or (b) delivering to the Company already-owned Shares having a Fair Market Value equal to the amount required to be withheld. The amount of the withholding requirement shall be deemed to include any amount which the Administrator agrees may be withheld at the time the election is made, not to exceed the amount determined by using the maximum federal, state or local marginal income tax rates applicable to the Participant with respect to the Award on the date that the amount of tax to be withheld is to be determined. The Fair Market Value of the Shares to be withheld or delivered shall be determined as of the date that the taxes are required to be withheld.

ARTICLE 9
Dissolution or Liquidation or Other Events

Section 9.1 Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator shall provide written notice to each Participant at least 20 days prior to the effective date of such proposed transaction. To the extent it has not been previously exercised, an Award will terminate immediately prior to the consummation of such proposed action. The Administrator may specify the effect of a liquidation or dissolution on any Award of Restricted Stock or other Award at the time of grant of such Award.

Section 9.2 Reorganization.

(a) Upon the occurrence of a Reorganization Event, subject to subsection (b) below, each outstanding Option shall be assumed or an equivalent option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation.

(b) In the event that the successor corporation does not assume the Option or an equivalent Option is not substituted, then the Administrator shall, upon written or electronic

notice to each Participant, provide that one of the following will occur: (i) all Options must be exercised (either to the extent then exercisable or, at the discretion of the Administrator upon a change of control of the Company, all Options being made fully exercisable for purposes of this clause (i)) as of a specified time prior to the Reorganization Event and will thereafter terminate immediately prior to the consummation of such Reorganization Event except to the extent exercised by the Participants prior to the consummation of the Reorganization Event; or (ii) all outstanding Options will terminate upon consummation of such Reorganization Event and each Participant will receive, in exchange therefore, a cash payment equal to the amount (if any) by which (x) the Acquisition Price multiplied by the number of shares of Common Stock subject to such outstanding Options (which may, in the Administrator's discretion, be limited to Options then exercisable or include Options then not exercisable), exceeds (y) the aggregate exercise price of such Options.

(c) For the purposes of this Section 9.2, the Option shall be considered assumed if, following consummation of the Reorganization Event, the option confers the right to purchase or receive, for each Share of Optioned Stock subject to the Option immediately prior to the Reorganization Event, the consideration (whether stock, cash, or other securities or property) received in the Reorganization Event by holders of Common Stock for each Share held immediately prior to the consummation of the Reorganization Event (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares). If such consideration received in the Reorganization Event is not solely common stock of the successor corporation or a Parent or Subsidiary thereof, then the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the Option for each Share of Optioned Stock subject to the Option to be solely common stock of the successor corporation or a Parent or Subsidiary thereof equal in fair market value to the per share consideration received by holders of Common Stock in the Reorganization Event, and in such case such Options shall be considered assumed for the purposes of this Section 9.2.

ARTICLE 10
Term, Amendment and Termination of Plan

Section 10.1 Term of Plan. The Plan shall become effective on the date of its adoption by the Board; *provided, however,* that no Option shall be exercisable by a Participant unless and until the Plan shall have been approved by the stockholders of the Company in accordance with the provisions of its Certificate of Incorporation and By-laws, which approval shall be obtained by a majority vote of stockholders, voting either in person or by proxy, at a duly held stockholder's meeting, or by written consent, within 12 months before or after the adoption of the Plan by the Board.

Section 10.2 Termination of the Plan. The Plan shall terminate upon the earliest to occur of (i) the tenth anniversary of the date on which the Plan is approved by the stockholders of the Company, (ii) the date on which all Shares available for issuance under the Plan have been issued as fully vested Shares, and (iii) the termination of all outstanding Options in connection with a Reorganization Event.

Section 10.3 Amendment of the Plan. The Board may at any time amend, alter, suspend or terminate the Plan. The Company shall obtain stockholder approval of any Plan amendment to the extent necessary to comply with Applicable Laws.

Section 10.4 Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan shall impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

ARTICLE 11
Miscellaneous

Section 11.1 Authorization of Sub-Plans. The Board may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities or tax laws of various jurisdictions. The Board shall establish such sub-plans by adopting supplements to this Plan containing (i) such limitations on the Board's discretion under the Plan as the Board deems necessary or desirable and (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board shall deem necessary or desirable. All supplements adopted by the Board shall be deemed to be part of the Plan, but each supplement shall apply only to Participants within the affected jurisdiction and the Company shall not be required to provide copies of any supplement to Participants in any jurisdiction which is not the subject of such supplement.

Section 11.2 Governing Law. The provisions of the Plan and all Awards made hereunder shall be governed by and interpreted in accordance with the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof.

APPENDIX

As used in the Plan, the following terms shall have the following meanings:

(a) "*Acquisition Price*" means, in a Reorganization Event in which the consideration received by holders of Common Stock consists solely of cash, the amount of cash to which a holder of one share of Common Stock is entitled pursuant to such Reorganization Event.

(b) "*Administrator*" means the Board or any of its Committees as shall be administering the Plan, in accordance with Article 3 of the Plan.

(c) "*Applicable Laws*" means the requirements relating to the administration of stock incentive plans under applicable state corporation laws, United States federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

(d) "*Award*" means, individually or collectively, a grant under the Plan of Options, Restricted Stock or other stock-based awards.

(e) "*Award Agreement*" means the written agreement setting forth the terms and provisions applicable to each Award granted under the Plan, The Award Agreement is subject to the terms and conditions of the Plan.

(f) "*Board*" means the board of directors of the Company.

(g) "*Code*" means the Internal Revenue Code of 1986, as amended. Any reference to a section of the Code herein shall be a reference to any regulations promulgated under such section, and shall further reference any successor or amended section of such section of the Code that is so referred to and any regulations thereunder.

(h) "*Committee*" means a committee of the Board appointed by the Board in accordance with Article 3 of the Plan.

(i) "*Common Stock*" means the Company's common stock.

(j) "*Company*" means LendingClub Corporation, a Delaware corporation, or any successor thereto.

(k) "*Consultant*" means any natural person, including an advisor, engaged by the Company or a Parent or Subsidiary of the Company to render services to such entity.

(l) "*Director*" means a member of the Board.

(m) "*Disability*" means total and permanent disability as defined in Section 22(e)(3) of the Code.

(n) "*Employee*" means any person who is an employee, as defined in Section 3401(c) of the Code, of the Company or any Parent or Subsidiary of the Company or any other entity the employees of which are permitted to receive Incentive Stock Options under the Code. Neither service as a Director nor payment of a director's fee by the Company shall be sufficient to constitute "employment" by the Company.

(o) "*Exchange Act*" means the Securities Exchange Act of 1934, as amended.

(p) "*Exchange Program*" means a program under which, with the consent of the affected Participants, (i) outstanding Awards are surrendered or cancelled in exchange for Awards of the same type (which may have lower exercise prices and different terms), Awards of a different type, and/or cash, and/or (ii) the exercise price of an outstanding Award is reduced or increased. The terms and conditions of any Exchange Program shall be determined by the Administrator in its sole discretion.

(q) "*Fair Market Value*" means, as of any date, the value of Common Stock as determined in good faith by the Administrator.

(r) "*Fiscal Year*" means the fiscal year of the Company.

(s) "*Incentive Stock Option*" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(t) "*Inside Director*" means a Director who is an Employee.

(u) "*Nonstatutory Stock Option*" means an Option not intended to qualify as an Incentive Stock Option.

(v) "*Option*" means a stock option granted pursuant to the Plan.

(w) "*Optioned Stock*" means the Common Stock subject to an Award.

(x) "Outside Director' means a Director who is not an Employee.

(y) "*Parent*" means a "parent corporation", whether now or hereafter existing, as defined in Section 424(e) of the Code.

(z) "*Participant*" means the holder of an outstanding Award granted under the Plan.

(aa) "*Period of Restriction*" means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance, or the occurrence of other events as determined by the Administrator, in its discretion.

(bb) "*Reorganization Event*" means:

(i) any merger or consolidation of the Company with or into another entity as a result of which all of the Common Stock is converted into or exchanged for the right to receive cash, securities or other property; or

(ii) any exchange of all of the Common Stock for cash, securities or other property pursuant to a share exchange transaction.

(cc) "*Restricted Stock*" means shares of Common Stock issued pursuant to Article 5 of the Plan.

(dd) "*Service Provider*" means an Employee, Director or Consultant.

(ee) "*Shares*" means shares of Common Stock.

(ff) "*Subsidiary*" means a "subsidiary corporation", whether now or hereafter existing, as defined in Section 424(f) of the Code.

(gg) "*10% Stockholder*" means the owner of stock (as determined under Code Section 424(d) possessing more than 10% of the total combined voting power of all classes of stock of the Company (or any Parent or Subsidiary).

SCHEDULE A

I. General Financial Criteria

To be provided.

II. Operational Criteria

To be provided.

AMENDMENT NO. 1
TO THE 2007 STOCK INCENTIVE PLAN
OF LENDINGCLUB CORPORATION

In accordance with resolutions adopted by the Board of Directors of LendingClub Corporation (the "Company") on March 1 2007, and by the Company's stockholders, on March 1, 2007, the first sentence of Section 2.1 of the Company's 2007 Stock Incentive Plan (the "Plan") is hereby amended to read in its entirety as follows:

"Subject to adjustment under Section 2.3, the number of shares of Common Stock available for sale upon exercise of options granted under the Plan shall not exceed 114 Shares."

AMENDMENT NO. 2
TO THE 2007 STOCK INCENTIVE PLAN
OF LENDINGCLUB CORPORATION

In accordance with resolutions adopted by the Board of Directors of LendingClub Corporation (the "Company") on August 16, 2007, and by the Company's stockholders, on August 16, 2007, the first sentence of Section 2.1 of the Company's 2007 Stock Incentive Plan (the "Plan") is hereby amended to read in its entirety as follows:

"Subject to adjustment under Section 2.3, the number of shares of Common Stock available for sale upon exercise of options granted under the Plan shall not exceed 3,692,000 Shares."

AMENDMENT TO THE 2007 STOCK INCENTIVE PLAN
OF LENDINGCLUB CORPORATION
ADOPTED BY THE BOARD OF DIRECTORS AND
STOCKHOLDERS OF THE CORPORATION
EFFECTIVE MARCH 13, 2009

Resolutions of the Board of Directors of the Corporation

Amendment to 2007 Stock Incentive Plan — Increase in the Number of Shares

NOW THEREFORE BE IT RESOLVED, that an increase in the number of shares of Common Stock that are reserved and available for issuance under the Plan from 3,692,000 to 6,548,000 shares of Common Stock is hereby approved;

RESOLVED FURTHER, that the officers of the Company, and each of them with the full authority to act without the others, are hereby authorized to submit the amendment to the Plan to the stockholders of the Company for their approval.

Resolutions of the Stockholders of the Corporation

Increase in the Number of Shares Reserved Under the 2007 Stock Incentive Plan

NOW, THEREFORE, BE IT RESOLVED, that effective upon the Closing of the Series B Financing pursuant to the Series B Stock Purchase Agreement by and between the Company and Certain Investors, an increase in the number of shares of Common Stock that are reserved for issuance under the Plan from 3,692,000 to 6,548,000 shares is hereby approved.

AMENDMENT TO THE 2007 STOCK INCENTIVE PLAN
OF LENDINGCLUB CORPORATION

In accordance with resolutions adopted by the Board of Directors of LendingClub Corporation (the "Company") on December 12, 2019, Section 3.2 of the Company's 2007 Stock Incentive Plan (the "Plan") is hereby amended to read in its entirety as follows:

"Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its discretion: (a) to determine the Fair Market Value; (b) to select the Service Providers to whom Awards may be granted hereunder; (c) to determine the number of shares of Common Stock to be covered by each Award granted hereunder; *provided, however* that in no event shall Awards with more than the number of Shares reserved under the Plan pursuant to Section 2.1 be granted to any Service Provider in any fiscal year; (d) to approve forms of agreement for use under the Plan; (e) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder, such terms and conditions including, without limitation, the exercise price, the time or times when Awards may be exercised (which may be based on performance criteria), any vesting, acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the shares of Common Stock relating thereto, based in each case on such factors as the Administrator, in its sole discretion, shall determine; (f) to institute an Exchange Program; (g) to construe and interpret the terms of the Plan and awards granted pursuant to the Plan; (h) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws; (i) to modify or amend each Award (subject to Section 10.4 of the Plan), including the discretionary authority to extend the post-termination exercisability period of Options longer than is otherwise provided for in the Plan; (j) to allow Participants to satisfy withholding tax obligations by electing to have the Company withhold from the Shares to be issued upon exercise of an Award that number of Shares having a Fair Market Value equal to the minimum amount required to be withheld (the Fair Market Value of the Shares to be withheld shall be determined as of the date that the amount of tax to be withheld is to be determined and all elections by a Participant to have Shares withheld for this purpose shall be made in such form and under such conditions as the Administrator may deem necessary or advisable); (k) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator; (1) allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant under an Award, and (m) to make all other determinations deemed necessary or advisable for administering the Plan. Notwithstanding the foregoing, except for an adjustment in connection with any stock dividend that is paid on Common Stock in shares of Common Stock, or any stock split, reverse stock split, combination or reclassification of Common Stock, or any other increase in the number of outstanding shares of Common Stock without receipt of consideration by the Company, as specified in an Award Agreement (an "Adjustment"), the Administrator will not, without the further approval of the stockholders of the Company, authorize the amendment of any outstanding Option or stock appreciation right to reduce the Exercise Price or base price, respectively; no Option or stock appreciation right will be cancelled and replaced with awards having a lower Exercise Price or base price, respectively, or for another award, or for cash, without further approval of the stockholders of the Company, except in connection with an Adjustment; furthermore, no Option or stock appreciation right will provide for the payment, at the time of exercise, of a cash bonus or grant of Options, stock appreciation rights, or other awards, without further approval of the stockholders of the Company. The foregoing sentence is intended to prohibit the repricing of "underwater" Options or stock appreciation rights without approval of the stockholders of the Company and will not be construed to prohibit an Adjustment."

EXHIBIT A

LENDINGCLUB CORPORATION

Stock Option Agreement
Under 2007 Stock Incentive Plan

Section 1. Grant of Option.

(a) This Stock Option Agreement (the "Agreement") evidences the grant by LendingClub Corporation, a Delaware corporation (the "Company"), on the Grant Date, to the Optionee, of an option (the "Option") to purchase, in whole or in part, on the terms provided herein and in the Company's 2007 Stock Incentive Plan (the "Plan"), a total number of shares of the Company's common stock equal to the Number of Option Shares set forth in the Notice of Grant to which this Agreement is attached as Exhibit A, at a price per share equal to the Exercise Price. Unless earlier terminated in accordance with Section 3(c), (d) or (e) or Section 7 of this Agreement, the Option shall expire at 5:00 p.m., Eastern time, on the Termination Date. Capitalized terms used in this Section 1(a) and not otherwise defined herein shall refer to the information set forth next to such terms on the Notice of Grant. Capitalized terms used in this Agreement and not otherwise defined in this Agreement or in the Notice of Grant shall have the meanings assigned to such terms in the Plan, which is attached to the Notice of Grant as Exhibit B.

(b) If designated in the Notice of Grant as an Incentive Stock Option, the Option is intended to qualify as an "incentive stock option" under Section 422 of the Code.

(c) Except as otherwise indicated by the context, the term "Optionee", as used in this Agreement, shall be deemed to include any person who acquires the right to exercise the Option validly under its terms.

Section 2. Vesting Schedule.

(a) The Option will become exercisable as described under the heading "Vesting" in the Notice of Grant.

(b) The right of exercise shall be cumulative so that, to the extent the Option is not exercised in any period to the maximum extent permissible, it shall continue to be exercisable, in whole or in part, with respect to all vested Option Shares until the earliest to occur of (i) the Termination Date, (ii) the termination of the Option under Section 3 or Section 7 hereof, or (iii) any other termination of the Option under the Plan.

Section 3. Exercise of Option.

(a) Form of Exercise. To exercise the Option with respect to all or any part of the Option Shares, the Optionee (or any other person or persons exercising the Option in accordance with Section 3(d)) must execute and deliver to the Company an election notice in the form of Schedule 1 to this Agreement, either in writing or electronically, accompanied by payment in full in a manner provided in Section 4. The Optionee may purchase any number of vested Option Shares subject to the Option, in any exercise of the Option, provided that no partial exercise of the Option may be for any fractional share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, the Option may not be exercised unless the Optionee, at the time he or she exercises the Option, is, and has been at all times since the Grant Date, a Service Provider.

(c) Termination of Relationship with the Company. If the Optionee ceases to be a Service Provider for any reason while the Option is outstanding, then, except as provided in Sections 3(d) and (e), the right to exercise the Option shall terminate three months after such cessation (but in no event after the Termination Date), provided that the Option shall be exercisable only to the extent and with respect to the number of Option Shares that the Optionee was entitled to exercise on the date of such cessation.

(d) Exercise Period Upon Death or Disability. If the Optionee dies or suffers a Disability. while the Option is outstanding (including within the three-month period following termination of Service of the Optionee), and the Company has not terminated the Optionee's Service for "Cause" as specified in Section 3(e), the Option shall be exercisable, within the period of one year following the date of termination of Service of the Optionee, (i) in the case of a termination of Service due to the Disability of the Optionee, by the Optionee, and (ii) in the case of a termination of Service due to the death of the Optionee, by (A) a beneficiary designated in writing by the Optionee to the Company prior to the Optionee's death, or (B) if no such beneficiary has been designated, by the personal representative of the Optionee's estate or by the person(s) to whom the Option is transferred pursuant to the Optionee's will or in accordance with the laws of descent and distribution; provided, that, in any case, the Option shall be exercisable only to the extent and with respect to the number of Option Shares that the Optionee was entitled to exercise on the date of his or her death or Disability; and further provided, that the Option shall not be exercisable after the Termination Date.

(e) Discharge for Cause. If the Optionee's Service with the Company is terminated for Cause while the Option is outstanding, the right to exercise the Option shall terminate immediately upon the effective date of such discharge. "Cause" shall mean willful misconduct by the Optionee or willful failure by the Optionee to perform his or her responsibilities to the Company (including, without limitation, breach by the Optionee of any provision of any employment, consulting, advisory, nondisclosure, non-competition or other similar agreement between the Optionee and the Company), as determined by the Company, which determination shall be conclusive, provided, however, that if any definition of "Cause" for termination (or a similar term) is contained in an effective employment agreement or similar agreement between the Company and the Optionee at the time of termination, such definition shall supersede the definition in this Section 3(e) and shall be incorporated in this Section 3(e) as the definition of "Cause."

(f) Limited Exercisability. During any period of post-Service exercisability, the Option may not be exercised in the aggregate for more than the number of Option Shares in which the Optionee is, at the time of the Optionee's cessation of Service, vested in accordance with the Vesting Schedule specified in the Notice of Grant. Upon the expiration of such exercise period or (if earlier) upon the Termination Date, the Option shall terminate and cease to be outstanding for any vested Option Shares for which the Option has not been exercised. To the extent that the Optionee is not vested in the Option Shares at the time of the Optionee's cessation of Service, the Option shall immediately terminate and cease to be outstanding with respect to the Option Shares.

Section 4. Method of Payment.

(a) Common Stock purchased upon exercise of the Option may be paid in any one or more of the following forms:

(i) cash or check made payable to the Company;

(ii) subject to Section 4(b), by the tendering to the Company of other shares of Common Stock of the Company ("Tendered Option Shares") or the attestation to the ownership of shares of Common Stock that otherwise would be Tendered Option Shares ("Attested Option Shares") in exchange for the Company's reducing the number of shares necessary for payment in full of the Exercise Price for the Option Shares so purchased; or

(iii) any combination of the forms of consideration set forth in subsections (i) and (ii) above.

(b) For purposes of determining the amount of the Exercise Price satisfied by the Tendered Option Shares or the Attested Option Shares, such shares shall be valued at their Fair Market Value on the date of tender or attestation, as applicable. The date of exercise shall be deemed to be the date that the notice of exercise and payment of the Exercise Price are received by the Administrator.

(c) Prior to the delivery of any Tendered Option Shares, Attested Option Shares or cash pursuant to the Option (or exercise thereof), the Company shall have the power and the right to deduct or withhold, or require the Optionee to remit to the Company, an amount sufficient to satisfy federal, state, and local taxes (including the Optionee's FICA obligation) required to be withheld with respect to the Option (or exercise thereof). To the extent that the Company is required by Applicable Law to withhold funds for taxes in respect of any exercise of the Option, then the aggregate Exercise Price shall not be deemed paid and the Option shall not be deemed exercised and the Option Shares issuable upon exercise shall not be deemed issued, until the Optionee has paid to the Company, in a manner provided in this Section 4, the aggregate amount of such tax withholding.

Section 5. Disqualifying Disposition. If the Optionee disposes of Option Shares acquired upon exercise of the Option within two years from the Grant Date or one year after such Option Shares were acquired pursuant to exercise of the Option, the Optionee shall notify the Company in writing of such disposition.

Section 6. Nontransferability of Option. The Option may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner by the Optionee, either voluntarily or by operation of law, other than by will or the laws of descent and distribution, and, during the lifetime of the Optionee, the Option shall be exercisable only by the Optionee.

Section 7. Adjustments. In the event that there is any stock dividend that is paid on Common Stock in shares of Common Stock, or any stock split, reverse stock split, combination or reclassification of Common Stock, or any other increase in the number of outstanding shares of Common Stock without receipt of consideration by the Company, then the total number and/or class of securities subject to the Option and the Exercise Price of the Option shall be appropriately adjusted, in such manner as the Administrator in its sole discretion deems equitable, in order to prevent dilution or enlargement of the rights of the Optionee under the Option.

Section 8. Stockholder Rights. The holder of the Option shall not have any rights as a stockholder with respect to the Option Shares until such person shall have exercised the Option, paid the Exercise Price and become the record holder of the purchased Option Shares in accordance with the terms of this Agreement and the Plan.

Section 9. Covenants of the Optionee and the Company.

(a) Repurchase Rights. [Reserved]

(b) Permitted Transfers.

(i) Neither the Optionee nor any permitted transferee of the Optionee shall Transfer (as defined below) all or any of the Option Shares to any Person (as defined below) except in accordance with this Section 9(b). Notwithstanding anything to the contrary contained herein, the Optionee (and any permitted transferee of the Optionee) may Transfer all or any portion of his, her or its Option Shares: (A) if the stockholder is a limited partnership or a trust, to any member of the Group (as defined below) of which the Optionee (or such permitted transferee) is a member; (B) if the stockholder is a corporation or a limited liability company, to any member of its Group; (C) if the stockholder is an individual, to any member of the Family of such stockholder; provided, that the interests in any Family trusts shall be non-transferable; and (D) if the transferor is a permitted transferee of the Optionee by will or the laws of descent and distribution, provided that in each case of clauses (A) through (D), such transferee shall agree in writing with the Company, prior to and as a condition precedent to such Transfer, to be bound by all of the provisions of this Section 9.

(ii) If requested in writing by the managing underwriters, if any, of any Initial Public Offering, the Optionee agrees not to offer, sell, contract to sell or otherwise dispose of any Option Shares except as part of such Initial Public Offering within thirty (30) days before or one hundred and eighty (180) days after the effective date of the registration statement filed with respect to said offering; provided, however, that this restriction will not apply to transfers permitted under Section 9(b)(i) provided such transferee agrees to be bound by the restriction contained in this Section 9(b)(ii).

(c) Right of First Offer on Dispositions.

(i) If Optionee desires to Transfer all or any part of his Option Shares pursuant to this Section 9(c) at any time prior to completion of the Company's Initial Public Offering (other than pursuant to Section 9(a), 9(b)(i) or 9(d) hereof), Optionee shall submit a written offer (the "Offer") to sell such Option Shares (the "Offered Option Shares") to the Company, which Offer shall specify the number of Offered Option Shares proposed to be sold, the total number of Option Shares owned by Optionee, and the terms and conditions, including price, at which the Option Shares are being offered.

(ii) The Company shall have the right to purchase any or all of the Offered Option Shares on the same terms and conditions specified in the Offer.

(iii) If the Company desires to purchase any or all of the Offered Option Shares on the same terms and conditions specified in the Offer, the Company shall deliver its acceptance (an "Acceptance") to Optionee, which Acceptance shall confirm that the Company desires to purchase any or all of the Offered Option Shares and the number of Option Shares the Company desires to purchase and shall be delivered in person or mailed to Optionee at the address set forth in the Offer within twenty (20) days of the date the Offer was made by Optionee pursuant to Section 9(c)(i).

(iv) If the Company elects to purchase any or all of the Offered Option Shares, sale of the Offered Option Shares pursuant to this Section 9(c) shall be made at the offices of the Company on the 30th day following the expiration of the 20-day period described above (or if such 30th day is not a business day, then on the next succeeding business day). Such sale shall be effected by Optionee's delivery to the Company of a certificate or certificates evidencing the

Offered Option Shares to be purchased by it, duly endorsed for transfer to the Company, which Offered Option Shares shall be delivered free and clear of all liens, charges, claims and encumbrances of any nature whatsoever, against payment to Optionee of the purchase price therefor by the Company. Payment for the Offered Option Shares shall be made as provided in the Offer or by wire transfer or certified check.

(v) If the Company does not elect to purchase all of the Offered Option Shares, then the Offered Option Shares (less the amount to be purchased by the Company) may be sold by Optionee at any time within one hundred twenty (120) days after the date the Company responded to the Offer was made by Optionee pursuant to Section 9(c)(i). Any such sale shall be upon terms and conditions, including price, no more favorable to the proposed transferee than those specified in the Offer. Any Offered Option Shares not sold within such 120-day period shall continue to be subject to the requirements of a prior offer pursuant to this Section 9(c).

(d) Drag Along. Notwithstanding anything in this Agreement to the contrary, in the event that (i) the Board of Directors of the Company by unanimous vote or unanimous written consent and/or the holders of more than fifty percent (50%) of the then outstanding Common Stock by vote or written consent approves a transaction pursuant to which any Person or Persons not affiliated with any of the holders of any Common Stock will acquire fifty percent (50%) or more of the Common Stock of the Company (by stock purchase, merger or otherwise) or all or substantially all of the assets of the Company, upon the written request of the holders of more than fifty percent (50%) of the Common Stock, the Optionee agrees to offer to sell all of his Option Shares, and to sell all of his Option Shares (or, if such proposed transaction involves the sale of less than one hundred percent (100%) of the outstanding Common Stock, a proportionate amount of his Option Shares), to such Person or Persons or to vote all of his Option Shares in favor of the sale of assets, as the case may be, in either case upon the terms and conditions of the transaction approved by the Board of Directors of the Company and/or the holders of more than fifty percent (50%) of the Common Stock; provided, however, that the Optionee's obligation to sell his Option Shares pursuant to this Section 9(d) shall only apply if all of the Option Shares are to be sold on the same terms and conditions as the shares of such other Person or Persons. For purposes of this Section 9(d), each Preferred Share shall be deemed to be equal to the number of shares of Common Stock into which such Preferred Share is then convertible.

(e) For purposes of this Section 9, the following terms shall have the following meanings: (i) "Equity Stock" shall have the meaning set forth in Rule 3a11-1 under the Securities Exchange Act of 1934, as amended, and any successor statute and the rules and regulations thereunder, as shall be in effect from time to time; (ii) "Family" shall mean any spouse, lineal ancestor or descendant, or sibling or any trust for the exclusive benefit of any of the foregoing and/or the Optionee; (iii) "Group" shall mean as to (a) a partnership, any or all of its general or limited partners or any "affiliate" thereof (as defined by Rule 405 promulgated under the Securities Act), (b) a trust, any of the beneficiaries, settlers or grantors now existing or hereafter arising or any Person under common control with, such trust, (c) a corporation, any of its stockholders, any subsidiary of such corporation or any corporation which is under common control with such corporation, or any directors, officers or employees of such corporation, and (d) a limited liability company, any of its members; (iv) "Initial Public Offering" shall mean the Company's initial distribution of New Securities in an underwritten Public Offering to the general public pursuant to a registration statement filed with and declared effective by the Commission pursuant to the Securities Act at a price per New Security of not less than the product of three (3) and the original purchase price per share for the Company's initial round of Series A Preferred Stock (as adjusted for stock splits, stock dividends or similar recapitalizations) and resulting in net proceeds to the Company of

not less than $40 million; (v) "New Securities" shall mean any Equity Stock, including, but not limited to, shares of Common Stock, any security which is convertible into or exercisable or exchangeable for Common Stock, or any right, option or warrant to acquire any Common Stock; (vi) "Person" shall mean and include a natural person, a corporation, a partnership, a limited liability company, a trust, an unincorporated organization, an educational institution, a government or any department, agency or political subdivision thereof, or any other entity; (vii) "Securities Act" shall mean the Securities Act of 1933, as amended, and any successor statute and the rules and regulations of the Commission thereunder, as shall be in effect at the applicable time; and (viii) "Transfer" shall include any direct or indirect sale, assignment, transfer, pledge (but not including a pledge in favor of the Company), hypothecation or other disposition of any Option Shares or of any legal or beneficial interest therein.

Section 10. Reorganization Event.

(a) Upon the occurrence of a Reorganization Event, subject to subsection (b) below, each outstanding Option shall be assumed or an equivalent option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation.

(b) In the event that the successor corporation does not assume (within the meaning of Section 9.2 of the Plan) the Option or an equivalent option is not substituted, then the Administrator shall, upon written or electronic notice to the Optionee, provide that either: (i) the Option will become exercisable in full as of a specified time prior to the Reorganization Event and will terminate immediately prior to the consummation of such Reorganization Event, except to the extent exercised by the Optionee prior to the consummation of the Reorganization Event; or (ii) the Option will terminate upon consummation of such Reorganization Event and the Optionee will receive, in exchange therefor, a cash payment equal to the amount (if any) by which (A) the Acquisition Price multiplied by the number of Option Shares subject to the Option, whether or not such Option Shares are then vested in full, exceeds (B) the aggregate Exercise Price of the Option.

(c) If the Option is assumed in connection with a Reorganization Event, then the Option shall be appropriately adjusted, immediately after such Reorganization Event, to apply to the number and class of securities which would have been issuable to the Optionee in consummation of such Reorganization Event had the Option been exercised in full immediately prior to such Reorganization Event, and appropriate adjustments shall also be made to the Exercise Price, provided that the aggregate Exercise Price shall remain the same.

(d) This Agreement shall not in any way affect the right of the Company to adjust, reclassify, reorganize or to otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

Section 11. Notices. Any notices required or permitted by the terms of this Agreement or the Plan shall be given by recognized courier service, facsimile, registered or certified mail, return receipt requested, or electronic transmission, addressed as follows:

If to the Company:	LendingClub Corporation 71 Stevenson Street, Suite 300 San Francisco, CA 94105 Attn: President
If to the Optionee:	At the address set forth in the Notice of Grant

or to such other address or addresses of which notice in the same manner has previously been given. Any such notice shall be deemed to have been given upon the earlier of receipt, one business day following delivery to a recognized courier service or three business days following mailing by registered or certified mail.

Section 12. Governing Law. This Agreement shall be construed and enforced in accordance with the law of the State of Delaware, without giving effect to the conflict of law principles thereof.

Section 13. Successors and Assigns. Subject to the provisions of the Plan and the other provisions hereof, this Agreement shall be for the benefit of and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

Section 14. Construction. This Agreement and the Option evidenced hereby and by the Notice of Grant are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan. All decisions of the Administrator with respect to any question or issue arising under the Plan or this Agreement shall be conclusive and binding on all persons having an interest in the Option.

[Remainder of page intentionally left blank.]

LENDINGCLUB CORPORATION

Notice of Stock Option Grant
Under 2007 Stock Incentive Plan

Notice is hereby given of the following option grant (the "Option") to purchase shares of Common Stock of LendingClub Corporation (the "Company"):

Optionee:	_____
Grant Date:	
Vesting Commencement Date:	
Exercise Price:	
Number of Option Shares:	shares of Common Stock
Termination Date:	
Type of Option:	Incentive Stock Option
	Non-Statutory Stock Option
Vesting Schedule:	

The Optionee understands and agrees that the Option is granted subject to and in accordance with the terms of the LendingClub Corporation 2007 Stock Incentive Plan (the "Plan"). The Optionee further agrees to be bound by the terms of the Option as set forth in this Notice of Grant and in the Stock Option Agreement attached hereto as Exhibit A. as well as the terms of the Plan, which is attached hereto as Exhibit B.

No Employment or Service Contract. Nothing in this Notice or in the attached Stock Option Agreement or Plan shall confer upon the Optionee any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Parent or Subsidiary employing or retaining the Optionee) or of the Optionee, which rights are hereby expressly reserved by each, to terminate the Optionee's Service at any time for any reason, with or without cause.

DATED: , 20

LENDINGCLUB CORPORATION

By
:

Name:
Title:

OPTIONEE

By
:

Address
:

ATTACHMENTS

Exhibit A - Stock Option Agreement
Exhibit B - 2007 Stock Incentive Plan

NOTICE OF EXERCISE

TO: LendingClub Corporation (the "Company")

Reference is made to the Notice of Grant, dated , 20 , evidencing an Option (the "Option") to purchase an aggregate of shares of Common Stock of the Company at an exercise price of $ per share. Capitalized terms used but not defined in this Notice of Exercise have the meanings given to them in the Notice of Grant and the accompanying Option Agreement and Plan.

I understand the nature of the investment I am making and the financial risks thereof. I am aware that it is my responsibility to have consulted with competent tax and legal advisors about the relevant national, state and local income tax and securities laws affecting the exercise of the Option and the purchase and subsequent sale of the Option Shares.

I am paying the Exercise Price for the exercised Option Shares, in accordance with Section 4 of the Option Agreement, as follows:

_____

_____

Please issue the stock certificate for the Option Shares (check one):

☐ to me; or

☐ to me and , as joint tenants with right of survivorship.

and mail the certificate to me at the following address:

_____

_____

_____

My mailing address for stockholder communications, if different from the address listed above, is:

_____

_____

_____

Very truly yours,

_____

Optionee

_____

Print Name

_____

Date

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Social Security Number

LENDINGCLUB CORPORATION

2014 EQUITY INCENTIVE PLAN

1. PURPOSE. The purpose of this Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company, and any Parents and Subsidiaries that exist now or in the future, by offering them an opportunity to participate in the Company's future performance through the grant of Awards. Capitalized terms not defined elsewhere in the text are defined in Section 28.

2. SHARES SUBJECT TO THE PLAN.

2.1. Number of Shares Available. Subject to Sections 2.6 and 21 and any other applicable provisions hereof, the total number of Shares reserved and available for grant and issuance pursuant to this Plan as of the date of adoption of the Plan by the Board, is thirty-five million (35,000,000) Shares, plus (i) any reserved shares not issued or subject to outstanding grants under the Company's 2007 Stock Incentive Plan (the "Prior Plan") on the Effective Date (as defined below), (ii) shares that are subject to stock options or other awards granted under the Prior Plan that cease to be subject to such stock options or other awards by forfeiture or otherwise after the Effective Date, (iii) shares issued under the Prior Plan before or after the Effective Date pursuant to the exercise of stock options that are, after the Effective Date, forfeited, (iv) shares issued under the Prior Plan that are repurchased by the Company at the original issue price and (v) shares that are subject to stock options or other awards under the Prior Plan that are used to pay the exercise price of an option or withheld to satisfy the tax withholding obligations related to any award.

2.2. Lapsed, Returned Awards. Shares subject to Awards, and Shares issued under the Plan under any Award, will again be available for grant and issuance in connection with subsequent Awards under this Plan to the extent such Shares: (a) are subject to issuance upon exercise of an Option or SAR granted under this Plan but which cease to be subject to the Option or SAR for any reason other than exercise of the Option or SAR; (b) are subject to Awards granted under this Plan that are forfeited or are repurchased by the Company at the original issue price; (c) are subject to Awards granted under this Plan that otherwise terminate without such Shares being issued; or (d) are surrendered pursuant to an Exchange Program. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. Shares used to pay the exercise price of an Award or withheld to satisfy the tax withholding obligations related to an Award will become available for future grant or sale under the Plan. For the avoidance of doubt, Shares that otherwise become available for grant and issuance because of the provisions of this Section 2.2 shall not include Shares subject to Awards that initially became available because of the substitution clause in Section 21.2 hereof.

2.3. Minimum Share Reserve. At all times the Company shall reserve and keep available a sufficient number of Shares as shall be required to satisfy the requirements of all outstanding Awards granted under this Plan.

2.4. Automatic Share Reserve Increase. The number of Shares available for grant and issuance under the Plan shall be automatically increased January 1 of each of the calendar years 2015 through 2024, by the lesser of (i) five percent (5%) of the number of shares of Common Stock and Common Stock equivalents (including options, RSUs, warrants and the pool of available Shares under the Plan) issued and outstanding on each December 31 immediately prior to the date of increase or (ii) such number of Shares determined by the Board.

2.5. Limitations. No more than three hundred fifty million (350,000,000) Shares shall be issued pursuant to the exercise of ISOs.

2.6. Adjustment of Shares. If the number of outstanding Shares is changed by a stock dividend, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or similar change in the capital structure of the Company, without consideration, then (a) the number of Shares reserved for issuance and future grant under the Plan set forth in Section

2.1, (b) the Exercise Prices of and number of Shares subject to outstanding Options and SARs, (c) the number of Shares subject to other outstanding Awards, (d) the maximum number of shares that may be issued as ISOs set forth in Section 2.5, and (e) the maximum number of Shares that may be issued to an individual or to a new Employee in any one calendar year set forth in Section 3 or to a Non-Employee Director in Section 12 shall be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and in compliance with applicable securities laws; provided that fractions of a Share will not be issued.

3. ELIGIBILITY. ISOs may be granted only to eligible Employees. All other Awards may be granted to Employees, Consultants, Directors and Non-Employee Directors; provided such Consultants, Directors and Non-Employee Directors render bona fide services not in connection with the offer and sale of securities in a capital-raising transaction. No Participant will be eligible to be granted more than Four Million (4,000,000) Shares in any calendar year under this Plan pursuant to the grant of Awards except that new Employees (including new Employees who are also officers and directors of the Company or any Parent, Subsidiary or Affiliate) are eligible to be granted up to a maximum of Six Million (6,000,000) Shares in the calendar year in which they commence their employment.

4. ADMINISTRATION.

4.1. Committee Composition; Authority. This Plan will be administered by the Committee or by the Board acting as the Committee. Subject to the general purposes, terms and conditions of this Plan, and to the direction of the Board, the Committee will have full power to implement and carry out this Plan, except, however, the Board shall establish the terms for the grant of an Award to Non-Employee Directors. The Committee will have the authority to:

(a) construe and interpret this Plan, any Award Agreement and any other agreement or document executed pursuant to this Plan;

(b) prescribe, amend and rescind rules and regulations relating to this Plan or any Award;

(c) select persons to receive Awards;

(d) determine the form and terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may vest and be exercised (which may be based on performance criteria) or settled, any vesting acceleration or waiver of forfeiture restrictions, the method to satisfy tax withholding obligations or any other tax liability legally due, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Committee will determine;

(e) determine the number of Shares or other consideration subject to Awards;

(f) determine the Fair Market Value and interpret the applicable provisions of this Plan and the definition of Fair Market Value in connection with circumstances that impact the Fair Market Value, if necessary;

(g) determine whether Awards will be granted singly, in combination with, in tandem with, in replacement of, or as alternatives to, other Awards under this Plan or any other incentive or compensation plan of the Company or any Parent or Subsidiary of the Company;

(h) grant waivers of Plan or Award conditions;

(i) determine the vesting, exercisability and payment of Awards;

(j) correct any defect, supply any omission or reconcile any inconsistency in this Plan, any Award or any Award Agreement;

(k) determine whether an Award has been earned;

(l) determine the terms and conditions of any, and to institute any Exchange Program;

(m) reduce or waive any criteria with respect to Performance Factors;

(n) adjust Performance Factors to take into account changes in law and accounting or tax rules as the Committee deems necessary or appropriate to reflect the impact of extraordinary or unusual items, events or circumstances to avoid windfalls or hardships provided that such adjustments are consistent with the regulations promulgated under Section 162(m) of the Code with respect to persons whose compensation is subject to Section 162(m) of the Code;

(o) adopt terms and conditions, rules and/or procedures (including the adoption of any subplan under this Plan) relating to the operation and administration of the Plan to accommodate requirements of local law and procedures outside of the United States;

(p) make all other determinations necessary or advisable for the administration of this Plan; and

(q) delegate any of the foregoing to a subcommittee consisting of one or more executive officers pursuant to a specific delegation as permitted by applicable law, including Section 157(c) of the Delaware General Corporation Law.

4.2. Committee Interpretation and Discretion. Any determination made by the Committee with respect to any Award shall be made in its sole discretion at the time of grant of the Award or, unless in contravention of any express term of the Plan or Award, at any later time, and such determination shall be final and binding on the Company and all persons having an interest in any Award under the Plan. Any dispute regarding the interpretation of the Plan or any Award Agreement shall be submitted by the Participant or Company to the Committee for review. The resolution of such a dispute by the Committee shall be final and binding on the Company and the Participant. The Committee may delegate to one or more executive officers the authority to review and resolve disputes with respect to Awards held by Participants who are not Insiders, and such resolution shall be final and binding on the Company and the Participant.

4.3. Section 162(m) of the Code and Section 16 of the Exchange Act. When necessary or desirable for an Award to qualify as "performance-based compensation" under Section 162(m) of the Code the Committee shall include at least two persons who are "outside directors" (as defined under Section 162(m) of the Code) and at least two (or a majority if more than two then serve on the Committee) such "outside directors" shall approve the grant of such Award and timely determine (as applicable) the Performance Period and any Performance Factors upon which vesting or settlement of any portion of such Award is to be subject. When required by Section 162(m) of the Code, prior to settlement of any such Award at least two (or a majority if more than two then serve on the Committee) such "outside directors" then serving on the Committee shall determine and certify in writing the extent to which such Performance Factors have been timely achieved and the extent to which the Shares subject to such Award have thereby been earned. Awards granted to Participants who are subject to Section 16 of the Exchange Act must be approved by a committee consisting solely of two or more "non-employee directors" (as defined in the regulations promulgated under Section 16 of the Exchange Act). With respect to Participants whose compensation is subject to Section 162(m) of the Code, and provided that such adjustments are consistent with the regulations promulgated under Section 162(m) of the Code, the Committee may adjust the performance goals to account for changes in law and accounting and to make such adjustments as the Committee deems necessary or appropriate to reflect the impact of extraordinary or unusual items, events or circumstances to avoid windfalls or hardships, including without limitation (i) restructurings, discontinued operations, extraordinary items, and other unusual or non-recurring charges, (ii) an

event either not directly related to the operations of the Company or not within the reasonable control of the Company's management, or (iii) a change in accounting standards required by generally accepted accounting principles.

4.4. Documentation. The Award Agreement for a given Award, the Plan and any other documents may be delivered to, and accepted by, a Participant or any other person in any manner (including electronic distribution or posting) that meets applicable legal requirements.

4.5. Foreign Award Recipients. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws and practices in other countries in which the Company and its Subsidiaries and Affiliates operate or have employees or other individuals eligible for Awards, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which Subsidiaries and Affiliates shall be covered by the Plan; (ii) determine which individuals outside the United States are eligible to participate in the Plan which may include individuals who provide services to the Company, Subsidiary or Affiliate under an agreement with a foreign nation or agency; (iii) modify the terms and conditions of any Award granted to individuals outside the United States or foreign nationals to comply with applicable foreign laws, policies, customs and practices; (iv) establish subplans and modify exercise procedures and other terms and procedures, to the extent the Committee determines such actions to be necessary or advisable (and such subplans and/or modifications shall be attached to this Plan as appendices); provided, however, that no such subplans and/or modifications shall increase the share limitations contained in Section 2.1 hereof; and (v) take any action, before or after an Award is made, that the Committee determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals. Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate the Exchange Act or any other applicable United States securities law, or any other applicable law.

5. OPTIONS. An Option is the right but not the obligation to purchase a Share, subject to certain conditions, if applicable. The Committee may grant Options to eligible Employees, Consultants and Directors and will determine whether such Options will be Incentive Stock Options within the meaning of the Code ("***ISOs***") or Nonqualified Stock Options ("***NSOs***"), the number of Shares subject to the Option, the Exercise Price of the Option, the period during which the Option may vest and be exercised, and all other terms and conditions of the Option, subject to the following:

5.1. Option Grant. Each Option granted under this Plan will identify the Option as an ISO or an NSO. An Option may be, but need not be, awarded upon satisfaction of such Performance Factors during any Performance Period as are set out in advance in the Participant's individual Award Agreement. If the Option is being earned upon the satisfaction of Performance Factors, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for each Option; and (y) select from among the Performance Factors to be used to measure the performance, if any. Performance Periods may overlap and Participants may participate simultaneously with respect to Options that are subject to different performance goals and other criteria.

5.2. Date of Grant. The date of grant of an Option will be the date on which the Committee makes the determination to grant such Option, or a specified future date. The Award Agreement will be delivered to the Participant within a reasonable time after the granting of the Option.

5.3. Exercise Period. Options may be vested and exercisable within the times or upon the conditions as set forth in the Award Agreement governing such Option; provided, however, that no Option will be exercisable after the expiration of ten (10) years from the date the Option is granted; and provided further that no ISO granted to a person who, at the time the ISO is granted, directly or by attribution owns more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Parent or Subsidiary of the Company ("***Ten Percent Stockholder***") will be exercisable after the expiration of five (5) years from the date the ISO is granted. The Committee also may provide for Options to become exercisable at one time or from time to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Committee determines.

5.4. Exercise Price. The Exercise Price of an Option will be determined by the Committee when the Option is granted; provided that: (i) the Exercise Price of an Option will be not less than one hundred percent (100%) of the Fair Market Value of the Shares on the date of grant and (ii) the Exercise Price of any ISO granted to a Ten Percent Stockholder will not be less than one hundred ten percent (110%) of the Fair Market Value of the Shares on the date of grant. Payment for the Shares purchased may be made in accordance with Section 11 and the Award Agreement and in accordance with any procedures established by the Company.

5.5. Method of Exercise. Any Option granted hereunder will be vested and exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Committee and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share. An Option will be deemed exercised when the Company receives: (i) notice of exercise (in such form as the Committee may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable withholding taxes). Full payment may consist of any consideration and method of payment authorized by the Committee and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 2.6 of the Plan. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(a) Termination of Service. If the Participant's Service terminates for any reason except for Cause or the Participant's death or Disability, then the Participant may exercise such Participant's Options only to the extent that such Options would have been exercisable by the Participant on the date Participant's Service terminates no later than ninety (90) days after the date Participant's Service terminates (or such shorter or longer time period as may be determined by the Committee, with any exercise beyond three (3) months after the date Participant's Service terminates deemed to be the exercise of an NSO), but in any event no later than the expiration date of the Options.

(b) Death. If the Participant's Service terminates because of the Participant's death (or the Participant dies within ninety (90) days after Participant's Service terminates other than for Cause or because of the Participant's Disability), then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the date Participant's Service terminates and must be exercised by the Participant's legal representative, or authorized assignee, no later than twelve (12) months after the date Participant's Service terminates (or such shorter or longer time period as may be determined by the Committee), but in any event no later than the expiration date of the Options.

(c) Disability. If the Participant's Service terminates because of the Participant's Disability, then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the date Participant's Service terminates and must be exercised by the Participant (or the Participant's legal representative or authorized assignee) no later than twelve (12) months after the date Participant's Service terminates (with any exercise beyond (a) three (3) months after the date Participant's employment terminates when the termination of Service is for a Disability that is not a "permanent and total disability" as defined in Section 22(e)(3) of the Code, or (b) twelve (12) months after the date Participant's employment terminates when the termination of Service is for a Disability that is a "permanent and total disability" as defined in Section 22(e)(3) of the Code, deemed to be exercise of an NSO), but in any event no later than the expiration date of the Options.

(d) Cause. If the Participant is terminated for Cause, then Participant's Options shall expire on such Participant's date of termination of Service, or at such later time and on such conditions as are determined by the Committee, but in any

event no later than the expiration date of the Options. Unless otherwise provided in the Award Agreement, Cause shall have the meaning set forth in the Plan.

5.6. Limitations on Exercise. The Committee may specify a minimum number of Shares that may be purchased on any exercise of an Option, provided that such minimum number will not prevent any Participant from exercising the Option for the full number of Shares for which it is then exercisable.

5.7. Limitations on ISOs. With respect to Awards granted as ISOs, to the extent that the aggregate Fair Market Value of the Shares with respect to which such ISOs are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars ($100,000), such Options will be treated as NSOs. For purposes of this Section 5.7, ISOs will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted. In the event that the Code or the regulations promulgated thereunder are amended after the Effective Date to provide for a different limit on the Fair Market Value of Shares permitted to be subject to ISOs, such different limit will be automatically incorporated herein and will apply to any Options granted after the effective date of such amendment.

5.8. Modification, Extension or Renewal. The Committee may modify, extend or renew outstanding Options and authorize the grant of new Options in substitution therefor, provided that any such action may not, without the written consent of a Participant, impair any of such Participant's rights under any Option previously granted. Any outstanding ISO that is modified, extended, renewed or otherwise altered will be treated in accordance with Section 424(h) of the Code. Subject to Section 18 of this Plan, by written notice to affected Participants, the Committee may reduce the Exercise Price of outstanding Options without the consent of such Participants; provided, however, that the Exercise Price may not be reduced below the Fair Market Value on the date the action is taken to reduce the Exercise Price.

5.9. No Disqualification. Notwithstanding any other provision in this Plan, no term of this Plan relating to ISOs will be interpreted, amended or altered, nor will any discretion or authority granted under this Plan be exercised, so as to disqualify this Plan under Section 422 of the Code or, without the consent of the Participant affected, to disqualify any ISO under Section 422 of the Code.

6. RESTRICTED STOCK AWARDS. A Restricted Stock Award is an offer by the Company to sell to an eligible Employee, Consultant, or Director Shares that are subject to restrictions ("***Restricted Stock***"). The Committee will determine to whom an offer will be made, the number of Shares the Participant may purchase, the Purchase Price, the restrictions under which the Shares will be subject and all other terms and conditions of the Restricted Stock Award, subject to the Plan.

6.1. Restricted Stock Purchase Agreement. All purchases under a Restricted Stock Award will be evidenced by an Award Agreement. Except as may otherwise be provided in an Award Agreement, a Participant accepts a Restricted Stock Award by signing and delivering to the Company an Award Agreement with full payment of the Purchase Price, within thirty (30) days from the date the Award Agreement was delivered to the Participant. If the Participant does not accept such Award within thirty (30) days, then the offer of such Restricted Stock Award will terminate, unless the Committee determines otherwise.

6.2. Purchase Price. The Purchase Price for a Restricted Stock Award will be determined by the Committee and may be less than Fair Market Value on the date the Restricted Stock Award is granted. Payment of the Purchase Price must be made in accordance with Section 11 of the Plan, and the Award Agreement and in accordance with any procedures established by the Company.

6.3. Terms of Restricted Stock Awards. Restricted Stock Awards will be subject to such restrictions as the Committee may impose or are required by law. These restrictions may be based on completion of a specified number of years of service with the Company or upon completion of Performance Factors, if any, during any Performance Period as set out in advance

in the Participant's Award Agreement. Prior to the grant of a Restricted Stock Award, the Committee shall: (a) determine the nature, length and starting date of any Performance Period for the Restricted Stock Award; (b) select from among the Performance Factors to be used to measure performance goals, if any; and (c) determine the number of Shares that may be awarded to the Participant. Performance Periods may overlap and a Participant may participate simultaneously with respect to Restricted Stock Awards that are subject to different Performance Periods and having different performance goals and other criteria.

6.4. Termination of Service. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such date Participant's Service terminates (unless determined otherwise by the Committee).

7. STOCK BONUS AWARDS. A Stock Bonus Award is an award to an eligible Employee, Consultant, or Director of Shares for Services to be rendered or for past Services already rendered to the Company or any Parent or Subsidiary. All Stock Bonus Awards shall be made pursuant to an Award Agreement. No payment from the Participant will be required for Shares awarded pursuant to a Stock Bonus Award.

7.1. Terms of Stock Bonus Awards. The Committee will determine the number of Shares to be awarded to the Participant under a Stock Bonus Award and any restrictions thereon. These restrictions may be based upon completion of a specified number of years of service with the Company or upon satisfaction of performance goals based on Performance Factors during any Performance Period as set out in advance in the Participant's Stock Bonus Agreement. Prior to the grant of any Stock Bonus Award the Committee shall: (a) determine the nature, length and starting date of any Performance Period for the Stock Bonus Award; (b) select from among the Performance Factors to be used to measure performance goals; and (c) determine the number of Shares that may be awarded to the Participant. Performance Periods may overlap and a Participant may participate simultaneously with respect to Stock Bonus Awards that are subject to different Performance Periods and different performance goals and other criteria.

7.2. Form of Payment to Participant. Payment may be made in the form of cash, whole Shares, or a combination thereof, based on the Fair Market Value of the Shares earned under a Stock Bonus Award on the date of payment, as determined in the sole discretion of the Committee.

7.3. Termination of Service. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such date Participant's Service terminates (unless determined otherwise by the Committee).

8. STOCK APPRECIATION RIGHTS. A Stock Appreciation Right ("***SAR***") is an award to an eligible Employee, Consultant, or Director that may be settled in cash, or Shares (which may consist of Restricted Stock), having a value equal to (a) the difference between the Fair Market Value on the date of exercise over the Exercise Price multiplied by (b) the number of Shares with respect to which the SAR is being settled (subject to any maximum number of Shares that may be issuable as specified in an Award Agreement). All SARs shall be made pursuant to an Award Agreement.

8.1. Terms of SARs. The Committee will determine the terms of each SAR including, without limitation: (a) the number of Shares subject to the SAR; (b) the Exercise Price and the time or times during which the SAR may be settled; (c) the consideration to be distributed on settlement of the SAR; and (d) the effect of the Participant's termination of Service on each SAR. The Exercise Price of the SAR will be determined by the Committee when the SAR is granted, and may not be less than Fair Market Value. A SAR may be awarded upon satisfaction of Performance Factors, if any, during any Performance Period as are set out in advance in the Participant's individual Award Agreement. If the SAR is being earned upon the satisfaction of Performance Factors, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for each SAR; and (y) select from among the Performance Factors to be used to measure the performance, if any. Performance Periods may overlap and Participants may participate simultaneously with respect to SARs that are subject to different Performance Factors and other criteria.

8.2. Exercise Period and Expiration Date. A SAR will be exercisable within the times or upon the occurrence of events determined by the Committee and set forth in the Award Agreement governing such SAR. The SAR Agreement shall set forth the expiration date; provided that no SAR will be exercisable after the expiration of ten (10) years from the date the SAR is granted. The Committee may also provide for SARs to become exercisable at one time or from time to time, periodically or otherwise (including, without limitation, upon the attainment during a Performance Period of performance goals based on Performance Factors), in such number of Shares or percentage of the Shares subject to the SAR as the Committee determines. Except as may be set forth in the Participant's Award Agreement, vesting ceases on the date Participant's Service terminates (unless determined otherwise by the Committee). Notwithstanding the foregoing, the rules of Section 5.6 also will apply to SARs.

8.3. Form of Settlement. Upon exercise of a SAR, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying (i) the difference between the Fair Market Value of a Share on the date of exercise over the Exercise Price; times (ii) the number of Shares with respect to which the SAR is exercised. At the discretion of the Committee, the payment from the Company for the SAR exercise may be in cash, in Shares of equivalent value, or in some combination thereof. The portion of a SAR being settled may be paid currently or on a deferred basis with such interest or dividend equivalent, if any, as the Committee determines, provided that the terms of the SAR and any deferral satisfy the requirements of Section 409A of the Code.

8.4. Termination of Service. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such date Participant's Service terminates (unless determined otherwise by the Committee).

9. RESTRICTED STOCK UNITS. A Restricted Stock Unit ("***RSU***") is an award to an eligible Employee, Consultant, or Director covering a number of Shares that may be settled in cash, or by issuance of those Shares (which may consist of Restricted Stock). All RSUs shall be made pursuant to an Award Agreement.

9.1. Terms of RSUs. The Committee will determine the terms of an RSU including, without limitation: (a) the number of Shares subject to the RSU; (b) the time or times during which the RSU may be settled; (c) the consideration to be distributed on settlement; and (d) the effect of the Participant's termination of Service on each RSU. An RSU may be awarded upon satisfaction of such performance goals based on Performance Factors during any Performance Period as are set out in advance in the Participant's Award Agreement. If the RSU is being earned upon satisfaction of Performance Factors, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for the RSU; (y) select from among the Performance Factors to be used to measure the performance, if any; and (z) determine the number of Shares deemed subject to the RSU. Performance Periods may overlap and participants may participate simultaneously with respect to RSUs that are subject to different Performance Periods and different performance goals and other criteria.

9.2. Form and Timing of Settlement. Payment of earned RSUs shall be made as soon as practicable after the date(s) determined by the Committee and set forth in the Award Agreement. The Committee, in its sole discretion, may settle earned RSUs in cash, Shares, or a combination of both. The Committee may also permit a Participant to defer payment under a RSU to a date or dates after the RSU is earned provided that the terms of the RSU and any deferral satisfy the requirements of Section 409A of the Code.

9.3. Termination of Service. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such date Participant's Service terminates (unless determined otherwise by the Committee).

10. PERFORMANCE AWARDS. A Performance Award is an award to an eligible Employee, Consultant, or Director of a cash bonus or an award of Performance Shares denominated in Shares that may be settled in cash, or by issuance of those Shares (which may consist of Restricted Stock). Grants of Performance Awards shall be made pursuant to an Award Agreement solely pursuant to this Section 10.

10.1. Terms of Performance Shares. The Committee will determine, and each Award Agreement shall set forth, the terms of each Performance Award including, without limitation: (a) the amount of any cash bonus, (b) the number of Shares deemed subject to an award of Performance Shares; (c) the Performance Factors and Performance Period that shall determine the time and extent to which each award of Performance Shares shall be settled; (d) the consideration to be distributed on settlement, and (e) the effect of the Participant's termination of Service on each Performance Award. In establishing Performance Factors and the Performance Period the Committee will: (x) determine the nature, length and starting date of any Performance Period; (y) select from among the Performance Factors to be used; and (z) determine the number of Shares deemed subject to the award of Performance Shares. Prior to settlement the Committee shall determine the extent to which Performance Awards have been earned. Performance Periods may overlap and Participants may participate simultaneously with respect to Performance Awards that are subject to different Performance Periods and different performance goals and other criteria. No Participant will be eligible to receive more than $10,000,000 in Performance Awards in any calendar year under Section 10 of this Plan.

10.2. Value, Earning and Timing of Performance Shares. Each Performance Share will have an initial value equal to the Fair Market Value of a Share on the date of grant. After the applicable Performance Period has ended, the holder of Performance Shares will be entitled to receive a payout of the number of Performance Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding Performance Factors or other vesting provisions have been achieved. The Committee, in its sole discretion, may pay earned Performance Shares in the form of cash, in Shares (which have an aggregate Fair Market Value equal to the value of the earned Performance Shares at the close of the applicable Performance Period) or in a combination thereof.

10.3. Termination of Service. Except as may be set forth in the Participant's Award Agreement, vesting ceases on the date Participant's Service terminates (unless determined otherwise by the Committee).

11. PAYMENT FOR SHARE PURCHASES. Payment from a Participant for Shares purchased pursuant to this Plan may be made in cash or by check or, where approved for the Participant by the Committee and where permitted by law (and to the extent not otherwise set forth in the applicable Award Agreement):

(a) by cancellation of indebtedness of the Company to the Participant;

(b) by surrender of shares of the Company held by the Participant that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Award will be exercised or settled;

(c) by waiver of compensation due or accrued to the Participant for services rendered or to be rendered to the Company or a Parent or Subsidiary of the Company;

(d) by consideration received by the Company pursuant to a broker-assisted or other form of cashless exercise program implemented by the Company in connection with the Plan;

(e) by any combination of the foregoing; or

(f) by any other method of payment as is permitted by applicable law.

12. GRANTS TO NON-EMPLOYEE DIRECTORS. Non-Employee Directors are eligible to receive any type of Award offered under this Plan except ISOs. Awards pursuant to this Section 12 may be automatically made pursuant to policy adopted by the Board, or made from time to time as determined in the discretion of the Board. The aggregate number of Shares subject to Awards granted to a Non-Employee Director pursuant to this Section 12 in any calendar year shall not exceed 1,500,000.

12.1. Eligibility. Awards pursuant to this Section 12 shall be granted only to Non-Employee Directors. A Non-Employee Director who is elected or re-elected as a member of the Board will be eligible to receive an Award under this Section 12.

12.2. Vesting, Exercisability and Settlement. Except as set forth in Section 21, Awards shall vest, become exercisable and be settled as determined by the Board. With respect to Options and SARs, the exercise price granted to Non-Employee Directors shall not be less than the Fair Market Value of the Shares at the time that such Option or SAR is granted.

12.3. Election to receive Awards in Lieu of Cash. A Non-Employee Director may elect to receive his or her annual retainer payments and/or meeting fees from the Company in the form of cash or Awards or a combination thereof, as determined by the Committee. Such Awards shall be issued under the Plan. An election under this Section 12.3 shall be filed with the Company on the form prescribed by the Company.

13. WITHHOLDING TAXES.

13.1. Withholding Generally. Whenever Shares are to be issued in satisfaction of Awards granted under this Plan or the applicable tax event occurs, the Company may require the Participant to remit to the Company, or to the Parent, Subsidiary or Affiliate employing the Participant, an amount sufficient to satisfy applicable U.S. federal, state, local and international withholding tax requirements or any other tax or social insurance liability legally due from the Participant (as determined without regard to any potential application of Section 83(c)(3) of the Code) prior to the delivery of Shares pursuant to exercise or settlement of any Award. Whenever payments in satisfaction of Awards granted under this Plan are to be made in cash, such payment will be net of an amount sufficient to satisfy applicable U.S. federal, state, local and international withholding tax and social insurance requirements or any other tax liability legally due from the Participant.

13.2. Stock Withholding. The Committee, or its delegate(s), as permitted by applicable law, in its sole discretion and pursuant to such procedures as it may specify from time to time and to limitations of local law, may require or permit a Participant to satisfy such tax withholding obligation or any other tax liability legally due from the Participant, in whole or in part by (without limitation) (i) paying cash, (ii) electing to have the Company withhold otherwise deliverable cash or Shares having a Fair Market Value equal to the minimum statutory amount required to be withheld, or, if applicable, such other withholding amount as mutually agreed upon by the Company and the Participant (provided, in the case of an Insider, that such other amount is approved in advance by the Committee), (iii) delivering to the Company already-owned Shares having a Fair Market Value equal to the minimum statutory amount required to be withheld, or, if applicable, such other withholding amount as mutually agreed upon by the Company and the Participant (provided, in the case of an Insider, that such other amount is approved in advance by the Committee), or (iv) withholding from the proceeds of the sale of otherwise deliverable Shares acquired pursuant to an Award either through a voluntary sale or through a mandatory sale arranged by the Company. The Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the taxes are required to be withheld or, in the sole discretion of the Company (determined, in the case of any Insider, solely by the Committee), the date immediately prior to the date that taxes are required to be withheld.

14. TRANSFERABILITY.

14.1. Transfer Generally. Unless determined otherwise by the Committee or pursuant to Section 14.2, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. If the Committee makes an Award transferable, including, without limitation, by instrument to an inter vivos or testamentary trust in which the Awards are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift or by domestic relations order to a Permitted Transferee, such Award will contain such additional terms and conditions as the Committee deems appropriate. All Awards shall be exercisable: (i) during the Participant's lifetime only by (A) the Participant, or (B) the Participant's guardian or legal representative; (ii) after the Participant's death, by the legal representative of the Participant's heirs or legatees; and (iii) in the case of all awards except ISOs, by a Permitted Transferee.

14.2. Award Transfer Program. Notwithstanding any contrary provision of the Plan, the Committee shall have all discretion and authority to determine and implement the terms and conditions of any Award Transfer Program instituted pursuant to this Section 14.2 and shall have the authority to amend the terms of any Award participating, or otherwise eligible to participate in, the Award Transfer Program, including (but not limited to) the authority to (i) amend (including to extend) the expiration date, post-termination exercise period and/or forfeiture conditions of any such Award, (ii) amend or remove any provisions of the Award relating to the Award holder's continued service to the Company or its Parent or any Subsidiary, (iii) amend the permissible payment methods with respect to the exercise or purchase of any such Award, (iv) amend the adjustments to be implemented in the event of changes in the capitalization and other similar events with respect to such Award, and (v) make such other changes to the terms of such Award as the Committee deems necessary or appropriate in its sole discretion.

15. PRIVILEGES OF STOCK OWNERSHIP; RESTRICTIONS ON SHARES.

15.1. Voting and Dividends. No Participant will have any of the rights of a stockholder with respect to any Shares until the Shares are issued to the Participant, except for any dividend equivalent rights permitted by an applicable Award Agreement. After Shares are issued to the Participant, the Participant will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares; provided, that if such Shares are Restricted Stock, then any new, additional or different securities the Participant may become entitled to receive with respect to such Shares by virtue of a stock dividend, stock split or any other change in the corporate or capital structure of the Company will be subject to the same restrictions as the Restricted Stock; provided, further, that the Participant will have no right to retain such stock dividends or stock distributions with respect to Shares that are repurchased at the Participant's Purchase Price or Exercise Price, as the case may be, pursuant to Section 15.2.

15.2. Restrictions on Shares. At the discretion of the Committee, the Company may reserve to itself and/or its assignee(s) a right to repurchase (a "***Right of Repurchase***") a portion of any or all Unvested Shares held by a Participant following such Participant's termination of Service at any time within ninety (90) days (or such longer or shorter time determined by the Committee) after the later of the date Participant's Service terminates and the date the Participant purchases Shares under this Plan, for cash and/or cancellation of purchase money indebtedness, at the Participant's Purchase Price or Exercise Price, as the case may be.

16. CERTIFICATES. All Shares or other securities whether or not certificated, delivered under this Plan will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable U.S. federal, state or foreign securities law, or any rules, regulations and other requirements of the SEC or any stock exchange or automated quotation system upon which the Shares may be listed or quoted and any non-U.S. exchange controls or securities law restrictions to which the Shares are subject.

17. ESCROW; PLEDGE OF SHARES. To enforce any restrictions on a Participant's Shares, the Committee may require the Participant to deposit all certificates representing Shares, together with stock powers or other instruments of transfer approved by the Committee, appropriately endorsed in blank, with the Company or an agent designated by the Company to hold in escrow until such restrictions have lapsed or terminated, and the Committee may cause a legend or legends referencing such restrictions to be placed on the certificates. Any Participant who is permitted to execute a promissory note as partial or full consideration for the purchase of Shares under this Plan will be required to pledge and deposit with the Company all or part of the Shares so purchased as collateral to secure the payment of the Participant's obligation to the Company under the promissory note; provided, however, that the Committee may require or accept other or additional forms of collateral to secure the payment of such obligation and, in any event, the Company will have full recourse against the Participant under the promissory note notwithstanding any pledge of the Participant's Shares or other collateral. In connection with any pledge of the Shares, the Participant will be required to execute and deliver a written pledge agreement

in such form as the Committee will from time to time approve. The Shares purchased with the promissory note may be released from the pledge on a pro rata basis as the promissory note is paid.

18. REPRICING; EXCHANGE AND BUYOUT OF AWARDS. Notwithstanding anything to the Contrary in the Plan, Except in connection with an adjustment in Section 2.6, the Committee will not, without the further approval of the stockholders of the Company, authorize the amendment of any outstanding Option or SAR to reduce the Exercise Price; no Option or SAR will be cancelled and replaced with awards having a lower Exercise Price, or for another award, or for cash, without further approval of the stockholders of the Company, except in connection with an adjustment in Section 2.6; furthermore, no Option or SAR will provide for the payment, at the time of exercise, of a cash bonus or grant of Options, SARs, or other awards, without further approval of the stockholders of the Company. The foregoing sentence is intended to prohibit the repricing of "underwater" Options or SARs without approval of the stockholders of the Company and will not be construed to prohibit the adjustments provided for in Section 2.6.

19. SECURITIES LAW AND OTHER REGULATORY COMPLIANCE. An Award will not be effective unless such Award is in compliance with all applicable U.S. and foreign federal and state securities and exchange control laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system upon which the Shares may then be listed or quoted, as they are in effect on the date of grant of the Award and also on the date of exercise or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue or deliver certificates for Shares under this Plan prior to: (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and/or (b) completion of any registration or other qualification of such Shares under any state or federal or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable. The Company will be under no obligation to register the Shares with the SEC or to effect compliance with the registration, qualification or listing requirements of any foreign or state securities laws, exchange control laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure to do so.

20. NO OBLIGATION TO EMPLOY. Nothing in this Plan or any Award granted under this Plan will confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Parent, Subsidiary or Affiliate or limit in any way the right of the Company or any Parent, Subsidiary or Affiliate to terminate Participant's employment or other relationship at any time.

21.CORPORATE TRANSACTIONS.

21.1. Assumption or Replacement of Awards by Successor. In the event that the Company is subject to a Corporate Transaction, outstanding Awards acquired under the Plan shall be subject to the documentation evidencing the Corporate Transaction, which need not treat all outstanding Awards in an identical manner. Such agreement, without the Participant's consent, shall provide for one or more of the following with respect to all outstanding Awards as of the effective date of such Corporate Transaction.

(a) The continuation of an outstanding Award by the Company (if the Company is the successor entity).

(b) The assumption of an outstanding Award by the successor or acquiring entity (if any) of such Corporate Transaction (or by its parents, if any), which assumption, will be binding on all selected Participants; provided that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) of the Code.

(c) The substitution by the successor or acquiring entity in such Corporate Transaction (or by its parents, if any) of equivalent awards with substantially the same terms for such outstanding Awards (except that the exercise price and

the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) of the Code).

(d) The full acceleration of exercisability or vesting and accelerated expiration of an outstanding Award and lapse of the Company's right to repurchase or re-acquire shares acquired under an Award or lapse of forfeiture rights with respect to shares acquired under an Award.

(e) The settlement of the full value of such outstanding Award (whether or not then vested or exercisable) in cash, cash equivalents, or securities of the successor entity (or its parent, if any) with a Fair Market Value equal to the required amount, followed by the cancellation of such Awards; provided however, that such Award may be cancelled if such Award has no value, as determined by the Committee, in its discretion. Subject to Section 409A of the Code, such payment may be made in installments and may be deferred until the date or dates the Award would have become exercisable or vested. Such payment may be subject to vesting based on the Participant's continued service, provided that the vesting schedule shall not be less favorable to the Participant than the schedule under which the Award would have become vested or exercisable. For purposes of this Section 21.1(e), the Fair Market Value of any security shall be determined without regard to any vesting conditions that may apply to such security.

The Board shall have full power and authority to assign the Company's right to repurchase or re-acquire or forfeiture rights to such successor or acquiring corporation. In addition, in the event such successor or acquiring corporation refuses to assume, convert, replace or substitute Awards, as provided above, pursuant to a Corporate Transaction, the Committee will notify the Participant in writing or electronically that such Award will be exercisable to the extent exercisable or vested at that time, after giving effect to any acceleration approved by the Board or Committee or pursuant to an agreement governing the Award, for a period of time determined by the Committee in its sole discretion, and such Award will terminate upon the expiration of such period. Awards need not be treated similarly in a Corporate Transaction.

21.2. Assumption of Awards by the Company. The Company, from time to time, also may substitute or assume outstanding awards granted by another company, whether in connection with an acquisition of such other company or otherwise, by either; (a) granting an Award under this Plan in substitution of such other company's award; or (b) assuming such award as if it had been granted under this Plan if the terms of such assumed award could be applied to an Award granted under this Plan. Such substitution or assumption will be permissible if the holder of the substituted or assumed award would have been eligible to be granted an Award under this Plan if the other company had applied the rules of this Plan to such grant. In the event the Company assumes an award granted by another company, the terms and conditions of such award will remain unchanged (except that the Purchase Price or the Exercise Price, as the case may be, and the number and nature of Shares issuable upon exercise or settlement of any such Award will be adjusted appropriately pursuant to Section 424(a) of the Code). In the event the Company elects to grant a new Option in substitution rather than assuming an existing option, such new Option may be granted with a similarly adjusted Exercise Price. Substitute Awards shall not reduce the number of Shares authorized for grant under the Plan or authorized for grant to a Participant in a calendar year.

21.3. Non-Employee Directors' Awards. Notwithstanding any provision to the contrary herein, in the event of a Corporate Transaction, the vesting of all Awards granted to Non-Employee Directors shall accelerate and such Awards shall become exercisable (as applicable) in full prior to the consummation of such event at such times and on such conditions as the Committee determines.

22. ADOPTION AND STOCKHOLDER APPROVAL. This Plan shall be submitted for the approval of the Company's stockholders, consistent with applicable laws, within twelve (12) months before or after the date this Plan is adopted by the Board.

23. TERM OF PLAN/GOVERNING LAW. Unless earlier terminated as provided herein, this Plan will become effective on the Effective Date and will terminate ten (10) years from the date this Plan is adopted by the Board. This Plan and all Awards granted hereunder shall be governed by and construed in accordance with the laws of the State of Delaware (excluding its conflict of laws rules).

24. AMENDMENT OR TERMINATION OF PLAN. The Board may at any time terminate or amend this Plan in any respect, including, without limitation, amendment of any form of Award Agreement or instrument to be executed pursuant to this Plan; provided, however, that the Board will not, without the approval of the stockholders of the Company, amend this Plan in any manner that requires such stockholder approval; provided further, that a Participant's Award shall be governed by the version of this Plan then in effect at the time such Award was granted.

25. NONEXCLUSIVITY OF THE PLAN. Neither the adoption of this Plan by the Board, the submission of this Plan to the stockholders of the Company for approval, nor any provision of this Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of stock awards and bonuses otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

26. INSIDER TRADING POLICY. Each Participant who receives an Award shall comply with any policy adopted by the Company from time to time covering transactions in the Company's securities by Employees, officers and/or directors of the Company.

27. ALL AWARDS SUBJECT TO COMPANY CLAWBACK OR RECOUPMENT POLICY. All Awards, subject to applicable law, shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other service with the Company that is applicable to executive officers, employees, directors or other service providers of the Company, and in addition to any other remedies available under such policy and applicable law, may require the cancellation of outstanding Awards and the recoupment of any gains realized with respect to Awards.

28. DEFINITIONS. As used in this Plan, and except as elsewhere defined herein, the following terms will have the following meanings:

28.1. "***Affiliate***" means (i) any entity that, directly or indirectly, is controlled by, controls or is under common control with, the Company and (ii) any entity in which the Company has a significant equity interest, in either case as determined by the Committee, whether now or hereafter existing.

28.2. "***Award***" means any award under the Plan, including any Option, Restricted Stock, Stock Bonus, Stock Appreciation Right, Restricted Stock Unit or award of Performance Shares.

28.3. "***Award Agreement***" means, with respect to each Award, the written or electronic agreement between the Company and the Participant setting forth the terms and conditions of the Award and country-specific appendix thereto for grants to non-U.S. Participants, which shall be in substantially a form (which need not be the same for each Participant) that the Committee (or in the case of Award agreements that are not used for Insiders, the Committee's delegate(s)) has from time to time approved, and will comply with and be subject to the terms and conditions of this Plan.

28.4. "***Award Transfer Program***" means any program instituted by the Committee which would permit Participants the opportunity to transfer any outstanding Awards to a financial institution or other person or entity approved by the Committee.

28.5. "***Board***" means the Board of Directors of the Company.

28.6. "***Cause***" means (i) Participant's willful failure substantially to perform his or her duties and responsibilities to the Company or deliberate violation of a Company policy; (ii) Participant's commission of any act of fraud, embezzlement, dishonesty or any other willful misconduct that has caused or is reasonably expected to result in material injury to the Company; (iii) unauthorized use or disclosure by Participant of any proprietary information or trade secrets of the Company or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Company; or (iv) Participant's willful breach of any of his or her obligations under any written agreement or covenant with the Company. The determination as to whether a Participant is being terminated for Cause shall be made in good faith by the Company and shall be final and binding on the Participant. The foregoing definition does not in any way limit the Company's ability to terminate a Participant's employment or consulting relationship at any time as provided in Section 20 above, and the term "Company" will be interpreted to include any Subsidiary or Parent, as appropriate. Notwithstanding the foregoing, the foregoing definition of "Cause" may, in part or in whole, be modified or replaced in each individual employment agreement or Award Agreement with any Participant, provided that such document supersedes the definition provided in this Section 28.6.

28.7. "***Code***" means the United States Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

28.8. "***Committee***" means the Compensation Committee of the Board or those persons to whom administration of the Plan, or part of the Plan, has been delegated as permitted by law.

28.9. "***Common Stock***" means the common stock of the Company.

28.10. "***Company***" means LendingClub Corporation, or any successor corporation.

28.11. "***Consultant***" means any person, including an advisor or independent contractor, engaged by the Company or a Parent, Subsidiary or Affiliate to render services to such entity.

28.12. "***Corporate Transaction***" means the occurrence of any of the following events: (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company's then-outstanding voting securities; provided, however, that for purposes of this subclause (i) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Corporate Transaction; (ii) the consummation of the sale, transfer or disposition by the Company of all or substantially all of the Company's assets; (iii) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) more than fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation; (iv) any other transaction which qualifies as a "corporate transaction" under Section 424(a) of the Code wherein the stockholders of the Company give up all of their equity interest in the Company (except for the acquisition, sale or transfer of all or substantially all of the outstanding shares of the Company) or (v) a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this

subclause (v), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Corporate Transaction. For purposes of this definition, Persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company. Notwithstanding the foregoing, to the extent that any amount constituting deferred compensation (as defined in Section 409A of the Code) would become payable under this Plan by reason of a Corporate Transaction, such amount shall become payable only if the event constituting a Corporate Transaction would also qualify as a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company, each as defined within the meaning of Code Section 409A, as it has been and may be amended from time to time, and any proposed or final Treasury Regulations and IRS guidance that has been promulgated or may be promulgated thereunder from time to time.

28.13. "***Director***" means a member of the Board.

28.14. "***Disability***" means in the case of incentive stock options, total and permanent disability as defined in Section 22(e)(3) of the Code and in the case of other Awards, that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

28.15. "***Effective Date***" means the day immediately prior to the date of the underwritten initial public offering of the Company's Common Stock pursuant to a registration statement that is declared effective by the SEC.

28.16. "***Employee***" means any person, including officers and Directors, providing services as an employee to the Company or any Parent, Subsidiary or Affiliate. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

28.17. "***Exchange Act***" means the United States Securities Exchange Act of 1934, as amended.

28.18. "***Exchange Program***" means a program pursuant to which (i) outstanding Awards are surrendered, cancelled or exchanged for cash, the same type of Award or a different Award (or combination thereof) or (ii) the exercise price of an outstanding Award is increased or reduced.

28.19. "***Exercise Price***" means, with respect to an Option, the price at which a holder may purchase the Shares issuable upon exercise of an Option and with respect to a SAR, the price at which the SAR is granted to the holder thereof.

28.20. "***Fair Market Value***" means, as of any date, the value of a share of the Company's Common Stock determined as follows:

(a) if such Common Stock is publicly traded and is then listed on a national securities exchange, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street* Journal or such other source as the Committee deems reliable;

(b) if such Common Stock is publicly traded but is neither listed nor admitted to trading on a national securities exchange, the average of the closing bid and asked prices on the date of determination as reported in *The Wall Street Journal* or such other source as the Committee deems reliable;

(c) in the case of an Option or SAR grant made on the Effective Date, the price per share at which shares of the Company's Common Stock are initially offered for sale to the public by the Company's underwriters in the initial public offering of the Company's Common Stock pursuant to a registration statement filed with the SEC under the Securities Act; or

(d) if none of the foregoing is applicable, by the Board or the Committee in good faith.

28.21. "***Insider***" means an officer or director of the Company or any other person whose transactions in the Company's Common Stock are subject to Section 16 of the Exchange Act.

28.22. "***IRS***" means the United States Internal Revenue Service.

28.23. "***Non-Employee Director***" means a Director who is not an Employee of the Company or any Parent or Subsidiary.

28.24. "***Option***" means an award of an option to purchase Shares pursuant to Section 5.

28.25. "***Parent***" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

28.26. "***Participant***" means a person who holds an Award under this Plan.

28.27. "***Performance Award***" means cash or stock granted pursuant to Section 10 or Section 12 of the Plan.

28.28. "***Performance Factors***" means any of the factors selected by the Committee and specified in an Award Agreement, from among the following objective measures, either individually, alternatively or in any combination, applied to the Company as a whole or any business unit or Subsidiary, either individually, alternatively, or in any combination, on a GAAP or non-GAAP basis, and measured, to the extent applicable on an absolute basis or relative to a pre-established target, to determine whether the performance goals established by the Committee with respect to applicable Awards have been satisfied:

(a) Profit Before Tax;

(b) Billings;

(c) Revenue;

(d) Net revenue;

(e) Earnings (which may include earnings before interest and taxes, earnings before taxes, and net earnings, or as otherwise adjusted);

(f) Operating income;

(g) Operating margin;

(h) Operating profit;

(i) Controllable operating profit, or net operating profit;

(j) Net Profit;

(k) Gross margin;

(l) Operating expenses or operating expenses as a percentage of revenue;

(m) Net income;

(n) Earnings per share;

(o) Total stockholder return;

(p) Market share;

(q) Return on assets or net assets;

(r) The Company's stock price;

(s) Growth in stockholder value relative to a pre-determined index;

(t) Return on equity;

(u) Return on invested capital;

(v) Cash Flow (including free cash flow or operating cash flows)

(w) Cash conversion cycle;
(x) Economic value added;

(y) Individual confidential business objectives;

(z) Contract awards or backlog;

(aa) Overhead or other expense reduction;

(bb) Credit rating;

(cc) Strategic plan development and implementation;

(dd) Succession plan development and implementation;

(ee) Improvement in workforce diversity;

(ff) Customer indicators;

(gg) New product invention or innovation;

(hh) Attainment of research and development milestones;

(ii) Improvements in productivity;

(jj) Bookings;

(kk) Attainment of objective operating goals and employee metrics; and

(ll) Any other metric that is capable of measurement as determined by the Committee.

The Committee may, in recognition of unusual or non-recurring items such as acquisition-related activities or changes in applicable accounting rules, provide for one or more equitable adjustments (based on objective standards) to the Performance Factors to preserve the Committee's original intent regarding the Performance Factors at the time of the initial award grant. It is within the sole discretion of the Committee to make or not make any such equitable adjustments.

28.29. "***Performance Period***" means the period of service determined by the Committee, not to exceed five (5) years, during which years of service or performance is to be measured for the Award.

28.30. "***Performance Share***" means an Award granted pursuant to Section 10 or Section 12 of the Plan.

28.31. "***Permitted Transferee***" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of the Employee, any person sharing the Employee's household (other than a tenant or employee), a trust in which these persons (or the Employee) have more than 50% of the beneficial interest, a foundation in which these persons (or the Employee) control the management of assets, and any other entity in which these persons (or the Employee) own more than 50% of the voting interests.

28.32. "***Person***" shall have the meaning as such term is used in Sections 13(d) and 14(d) of the Exchange Act.

28.33. "***Plan***" means this LendingClub Corporation 2014 Equity Incentive Plan.

28.34. "***Purchase Price***" means the price to be paid for Shares acquired under the Plan, other than Shares acquired upon exercise of an Option or SAR.

28.35. "***Restricted Stock Award***" means an award of Shares pursuant to Section 6 or Section 12 of the Plan, or issued pursuant to the early exercise of an Option.

28.36. "***Restricted Stock Unit***" means an Award granted pursuant to Section 9 or Section 12 of the Plan.

28.37. "***SEC***" means the United States Securities and Exchange Commission.

28.38. "***Securities Act***" means the United States Securities Act of 1933, as amended.

28.39. "***Service***" shall mean service as an Employee, Consultant, Director or Non-Employee Director, to the Company or a Parent, Subsidiary or Affiliate of the Company, subject to such further limitations as may be set forth in the Plan or the applicable Award Agreement. An Employee will not be deemed to have ceased to provide Service in the case of (i) medical leave, (ii) military leave, or (iii) any other leave of absence approved by the Company. In the case of any Employee on an approved leave of absence or a reduction in hours worked (for illustrative purposes only, a change in schedule from that of full-time to part-time), the Company may make such provisions respecting suspension of or modification of vesting of the Award while on leave from the employ of the Company or a Parent, Subsidiary or Affiliate or during such change in working hours as it may deem appropriate, pursuant to formal policy adopted from time to time by the Company, except that in no event may an Award be exercised after the expiration of the term set forth in the applicable Award Agreement. In the event of military leave, if required by applicable laws, vesting shall continue for the longest period that vesting continues under any other statutory or Company approved leave of absence and, upon a Participant's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniform Services Employment and Reemployment Rights Act), he or she shall be given vesting credit with respect to Awards to the same extent as would have applied had the Participant continued to provide services to the Company throughout the leave on the same terms as he or she was providing services immediately prior to such leave. Except as set forth in this Section 28.39, an employee shall have terminated employment as of the date he or she ceases to provide services (regardless of whether the termination is in breach

of local employment laws or is later found to be invalid) and employment shall not be extended by any notice period or garden leave mandated by local law, *provided however*, that a change in status from an employee to a consultant or advisor shall not terminate the service provider's Service, unless determined by the Committee, in its discretion. The Committee will have sole discretion to determine whether a Participant has ceased to provide Services and the effective date on which the Participant ceased to provide Services.

28.40. "***Shares***" means shares of the Common Stock and the common stock of any successor security.

28.41. "***Stock Appreciation Right***" means an Award granted pursuant to Section 8 or Section 12 of the Plan.

28.42. "***Stock Bonus***" means an Award granted pursuant to Section 7 or Section 12 of the Plan.

28.43. "***Subsidiary***" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

28.44. "***Treasury Regulations***" means regulations promulgated by the United States Treasury Department.

28.45. "***Unvested Shares***" means Shares that have not yet vested or are subject to a right of repurchase in favor of the Company (or any successor thereto).

NOTICE OF STOCK OPTION GRANT

LENDINGCLUB CORPORATION 2014 EQUITY INCENTIVE PLAN

Unless otherwise defined herein, the terms defined in the LendingClub Corporation (the "***Company***") 2014 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Stock Option Grant (the "***Notice of Grant***") and the attached Stock Option Agreement (the "***Option Agreement***"). You, the Optionee, have been granted an Option to purchase shares of Common Stock of the Company under the Plan subject to the terms and conditions of the Plan, this Notice of Grant and the attached Option Agreement.

Name:

Address:

Date of Grant:

Vesting Commencement Date:

Exercise price per Share:

Total Number of Shares:

Type of Option:	Non-Qualified Stock Option
	Incentive Stock Option
Expiration Date:	, 20 ; This Option expires earlier if your Service terminates earlier, as described in the Stock Option Agreement.
Vesting Schedule:	This Option becomes exercisable with respect to the first 25% of the Shares subject to this Option when you complete 12 months of continuous Service from the Vesting Commencement Date. Thereafter, this Option becomes exercisable with respect to an additional 1/48th of the Shares subject to this Option when you complete each month of Service.
Additional Terms:	☐ If this box is checked, the additional terms and conditions set forth on Attachment 1 hereto (as executed by the Company) are applicable and are incorporated herein by reference. No document need be attached as Attachment 1 if the box is not checked.

By accepting this Option, you and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan, the Notice of Grant and the Option Agreement. By accepting this Option, you consent to electronic delivery as set forth in the Option Agreement.

OPTIONEE:

Signature:

Print Name:

LENDINGCLUB CORPORATION

By:

Name:

Its:

STOCK OPTION AGREEMENT

LENDINGCLUB CORPORATION 2014
EQUITY INCENTIVE PLAN

You have been granted an Option by LendingClub Corporation (the "***Company***") under the 2014 Equity Incentive Plan (the "***Plan***") to purchase Shares (the "***Option***"), subject to the terms, restrictions and conditions of the Plan, the Notice of Stock Option Grant (the "***Notice of Grant***") and this Stock Option Agreement (the "***Agreement***").

1. Grant of Option. You have been granted an Option for the number of Shares set forth in the Notice of Grant at the exercise price per Share set forth in the Notice of Grant (the "***exercise price***"). In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail. If designated in the Notice of Grant as an Incentive Stock Option ("***ISO***"), this Option is intended to qualify as an Incentive Stock Option under Section 422 of the Code. However, if this Option is intended to be an ISO, to the extent that it exceeds the $100,000 rule of Code Section 422(d) it shall be treated as a Nonqualified Stock Option ("***NSO***").

2. Termination Period.

(a) General Rule. If your Service terminates for any reason except death or Disability, and other than for Cause, then this Option will expire at the close of business at Company headquarters on the date three months after your termination of Service (subject to the expiration detailed in Section 6). If your Service is terminated for Cause, this Option will expire upon the date of such termination. The Company determines when your Service terminates for all purposes under this Agreement.

(b) Death; Disability. If you die before your Service terminates (or you die within three months of your termination of Service other than for Cause), then this Option will expire at the close of business at Company headquarters on the date 12 months after the date of death (subject to the expiration detailed in Section 6). If your Service terminates because of your Disability, then this Option will expire at the close of business at Company headquarters on the date 12 months after your termination date (subject to the expiration detailed in Section 6).

(c) No Notice. You are responsible for keeping track of these exercise periods following your termination of Service for any reason. The Company will not provide further notice of such periods. In no event shall this Option be exercised later than the Expiration Date set forth in the Notice of Grant.

3. Exercise of Option.

(a) Right to Exercise. This Option is exercisable during its term in accordance with the Vesting Schedule set forth in the Notice of Grant and the applicable provisions of the Plan and this Agreement. In the event of your death, Disability, or other cessation of Service, the exercisability of the Option is governed by the applicable provisions of the Plan, the Notice of Grant and this Agreement. This Option may not be exercised for a fraction of a Share.

(b) Method of Exercise. This Option is exercisable by delivery of an exercise notice in a form specified by the Company (the "***Exercise Notice***"), which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "***Exercised Shares***"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be delivered in person, by mail, via electronic mail or facsimile or by other authorized method to the Secretary of the Company or other person designated by the Company. The Exercise Notice shall be accompanied by payment of the aggregate exercise price as to all Exercised Shares. This Option shall be deemed to be exercised upon receipt by the Company of a fully executed Exercise Notice accompanied by the aggregate exercise price and any applicable tax withholding due upon exercise of the Option.

(c) Exercise by Another. If another person wants to exercise this Option after it has been transferred to him or her in compliance with this Agreement, that person must prove to the Company's satisfaction that he or she is entitled to exercise this Option. That person must also complete the proper Exercise Notice form (as described above) and pay the exercise price (as described below) and any applicable tax withholding due upon exercise of the Option (as described below).

4. Method of Payment. Payment of the aggregate exercise price shall be by any of the following, or a combination thereof, at your election:

(a) your personal check, wire transfer, or a cashier's check;

(b) certificates for shares of Company stock that you own, along with any forms needed to effect a transfer of those shares to the Company; the value of the shares, determined as of the effective date of the Option exercise, will be applied to the Option exercise price. Instead of surrendering shares of Company stock, you may attest to the ownership of those shares on a form provided by the Company and have the same number of shares subtracted from the Option shares issued to you. However, you may not surrender, or attest to the ownership of, shares of Company stock in payment of the exercise price of your Option if your action would cause the Company to recognize compensation expense (or additional compensation expense) with respect to this Option for financial reporting purposes;

(c) cashless exercise through irrevocable directions to a securities broker approved by the Company to sell all or part of the Shares covered by this Option and to deliver to the Company from the sale proceeds an amount sufficient to pay the Option exercise price and any withholding taxes. The balance of the sale proceeds, if any, will be delivered to you. The directions must be given by signing a special notice of exercise form provided by the Company; or

(d) other method authorized by the Company.

5. Non-Transferability of Option. In general, except as provided below, only you may exercise this Option prior to your death. You may not transfer or assign this Option, except as provided below. For instance, you may not sell this Option or use it as security for a loan. If you attempt to do any of these things, this Option will immediately become invalid. You may, however, dispose of this Option in your will or in a beneficiary designation. However, if this Option is designated as a NSO in the Notice of Grant, then the Committee (as defined in the Plan) may, in its sole discretion, allow you to transfer this Option as a gift to one or more family members. For purposes of this Agreement, "family member" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in- law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law (including adoptive relationships), any individual sharing your household (other than a tenant or employee), a trust in which one or more of these individuals have more than 50% of the beneficial interest, a foundation in which you or one or more of these persons control the management of assets, and any entity in which you or one or more
of these persons own more than 50% of the voting interest. In addition, if this Option is designated as a NSO in the Notice of Grant, then the Committee may, in its sole discretion, allow you to transfer this Option to your spouse or former spouse pursuant to a domestic relations order in settlement of marital property rights. The Committee will allow you to transfer this Option only if both you and the transferee(s) execute the forms prescribed by the Committee, which include the consent of the transferee(s) to be bound by this Agreement. This Option may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of you only by you, your guardian, or legal representative, as permitted in the Plan. The terms of the Plan and this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of you.

6. Term of Option. This Option shall in any event expire on the expiration date set forth in the Notice of Grant, which date is 10 years after the grant date (five years after the grant date if this Option is designated as an ISO in the Notice of Grant and Section 5.3 of the Plan applies).

7. Tax Consequences. You should consult a tax adviser for tax consequences relating to this Option in the jurisdiction in which you are subject to tax. YOU SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) Exercising the Option. You will not be allowed to exercise this Option unless you make arrangements acceptable to the Company to pay any withholding taxes that may be due as a result of the Option exercise.

(b) Notice of Disqualifying Disposition of ISO Shares. If you sell or otherwise dispose of any of the Shares acquired pursuant to an ISO on or before the later of (i) two years after the grant date, or (ii) one year after the exercise date, you shall immediately notify the Company in writing of such disposition. You agree that you may be subject to income tax withholding by the Company on the compensation income recognized from such early disposition of ISO Shares by payment in cash or out of the current compensation paid to you.

8. Withholding Taxes and Stock Withholding. Regardless of any action the Company or your actual employer (the "***Employer***") takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding ("***Tax-Related Items***"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option grant, including the grant, vesting or exercise of the Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (2) do not commit to structure the terms of the grant or any aspect of the Option to reduce or eliminate your liability for Tax-Related Items. You acknowledge that if you are subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to exercise of the Option, you shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding and payment on account obligations of the Company and/or the Employer. In this regard, you authorize the Company and/or the Employer to withhold all applicable Tax-Related Items legally payable (which, if you are an Insider, shall be determined without regard to any potential application of Section 83(c)(3) of the Code) by you from your wages or other cash compensation paid to you by the Company and/or the Employer. With the Company's consent, these arrangements may also include, if permissible under local law, (a) withholding Shares that otherwise would be issued to you when you exercise this Option, (b) having the Company withhold taxes from the proceeds of the sale of the Shares, either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf and you hereby authorize such sales by this authorization), (c) your payment of a cash amount, or (d) any other arrangement approved by the Company; all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Trading Plan Policy, if applicable; provided however, that if you are a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (a)-(d) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event. The Fair Market Value of these Shares, determined as of the effective date of the Option exercise, will be applied as a credit against the withholding taxes. You shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of your participation in the Plan or your purchase of Shares that cannot be satisfied by the means previously described. Finally, you acknowledge that the Company has no obligation to deliver Shares to you until you have satisfied the obligations in connection with the Tax-Related Items as described in this Section.

9. Acknowledgement. The Company and you agree that the Option is granted under and governed by the Notice of Grant, this Agreement and the provisions of the Plan (incorporated herein by reference). You: (i) acknowledge receipt of a copy of the Plan and the Plan prospectus, (ii) represent that you have carefully read and are familiar with their provisions, and (iii) hereby accept the Option subject to all of the terms and conditions set forth herein and those set forth in the Plan and the

Notice of Grant. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice of Grant and the Agreement.

10. Consent to Electronic Delivery of All Plan Documents and Disclosures. By your acceptance of this Option, you consent to the electronic delivery of the Notice of Grant, this Agreement, the Plan, account statements, Plan prospectuses required by the Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the Option. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. You acknowledge that you may receive from the Company a paper copy of any documents delivered electronically at no cost if you contact the Company by telephone, through a postal service or electronic mail at . You further acknowledge that you will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, you understand that you must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, you understand that your consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if you have provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail at . Finally, you understand that you are not required to consent to electronic delivery.

11. Compliance with Laws and Regulations. The exercise of this Option will be subject to and conditioned upon compliance by the Company and you with all applicable state, federal and foreign laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer. The Shares issued pursuant to this Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

12. Governing Law; Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that may arise directly or indirectly from the Plan, the Notice of Grant and this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California in Santa Clara County or the federal courts of the United States for the Northern District of California and no other courts.

13. No Rights as Employee, Director or Consultant. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent, Subsidiary or Affiliate of the Company, to terminate your Service, for any reason, with or without Cause.

14. Adjustment. In the event of a stock split, a stock dividend or a similar change in Company stock, the number of Shares covered by this Option and the exercise price per Share may be adjusted pursuant to the Plan.

15. Lock-Up Agreement. In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, you hereby agree not to sell, make any short sale of, loan, grant any Option for the purchase of, or otherwise dispose of any securities of the Company however and whenever acquired (other than those included in the registration) without the prior written consent of the

Company or such underwriters, as the case may be, for such period of time (not to exceed one hundred eighty (180) days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering; provided however that, if during the last seventeen (17) days of the restricted period the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the sixteen (16)-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this Section shall continue to apply until the end of the third trading day following the expiration of the fifteen (15)-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond two hundred sixteen (216) days after the effective date of the registration statement.

16. Award Subject to Company Clawback or Recoupment. To the extent permitted by applicable law, the Option shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of your employment or other Service that is applicable to you. In addition to any other remedies available under such policy, applicable law may require the cancellation of your Option (whether vested or unvested) and the recoupment of any gains realized with respect to your Option.

17. Entire Agreement; Enforcement of Rights. This Agreement, the Plan and the Notice of Grant constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning this Option are superseded. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

BY ACCEPTING THIS OPTION, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

NOTICE OF RESTRICTED STOCK UNIT AWARD

LENDINGCLUB CORPORATION
2014 EQUITY INCENTIVE PLAN

Unless otherwise defined herein, the terms defined in the LendingClub Corporation (the "***Company***") 2014 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Restricted Stock Unit Award (the "***Notice***") and the attached Restricted Stock Unit Agreement (the "***RSU Agreement***"). You have been granted an award of Restricted Stock Units ("***RSUs***") under the Plan subject to the terms and conditions of the Plan, this Notice and the attached RSU Agreement.

Name:	
Address:	
Number of RSUs:	
Date of Grant:	
Vesting Commencement Date:	
Expiration Date:	The date on which settlement of all RSUs granted hereunder occurs. This RSU expires earlier if your Service terminates earlier, as described in the RSU Agreement.
Vesting Schedule:	**Sample vesting language**: [Subject to the limitations set forth in the Notice, the Plan and the RSU Agreement, % of the total number of RSUs will vest on the three month anniversary of the Vesting Commencement Date and % of the total number of RSUs will vest on each three month anniversary thereafter so long as your Service continues.] **[Alternate:** Subject to the limitations set forth in the Notice, the Plan, and the RSU Agreement, this RSU will vest contingently, in whole or in part, upon the achievement of the Performance Factors during the Performance Period, as set forth on Exhibit A hereto.**]**
Additional Terms:	☐ If this box is checked, the additional terms and conditions set forth on Attachment 1 hereto (as executed by the Company) are applicable and are incorporated herein by reference. No document need be attached as Attachment 1 if the box is not checked.

You acknowledge that the vesting of the RSUs pursuant to this Notice is earned only by continuing Service. By accepting this award, you and the Company agree that this award is granted under and governed by the terms and conditions of the Plan, the Notice and the RSU Agreement. By accepting this RSU, you consent to electronic delivery as set forth in the RSU Agreement.

PARTICIPANT

Signature:

Print Name:

LENDINGCLUB CORPORATION

By:

Name:

Its:

RESTRICTED STOCK UNIT AGREEMENT

LENDINGCLUB CORPORATION
2014 EQUITY INCENTIVE PLAN

You have been granted Restricted Stock Units ("***RSUs***") by LendingClub Corporation (the "***Company***") subject to the terms, restrictions and conditions of the Plan, the Notice of Restricted Stock Unit Award (the "***Notice***") and this Restricted Stock Unit Agreement (this "***RSU Agreement***").

1. Settlement. Settlement of RSUs shall be made in the same calendar year as the applicable date of vesting under the vesting schedule set forth in the Notice; provided, however, that if the vesting date under the vesting schedule set forth in the Notice is in December, then settlement of any RSUs that vest in December shall be within 30 days of vesting. Settlement of RSUs shall be in Shares. Settlement means the delivery of the Shares vested under an RSU. No fractional RSUs or rights for fractional Shares shall be created pursuant to this RSU Agreement.

2. No Stockholder Rights. Unless and until such time as Shares are issued in settlement of vested RSUs, you shall have no ownership of the Shares allocated to the RSUs and shall have no right to dividends or to vote such Shares.

3. Dividend Equivalents. Dividends, if any (whether in cash or Shares), shall not be credited to you.

4. No Transfer. RSUs may not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of in any manner other than by will or by the laws of descent or distribution or court order or unless otherwise permitted by the Committee on a case-by-case basis.

5. Termination. If your Service terminates for any reason, all unvested RSUs shall be forfeited to the Company forthwith, and all rights you have to such RSUs shall immediately terminate. In case of any dispute as to whether your termination of Service has occurred, the Committee shall have sole discretion to determine whether such termination has occurred and the effective date of such termination.

6. Tax Consequences. You acknowledge that you will recognize tax consequences in connection with the RSUs. You should consult a tax adviser regarding your tax obligations in the jurisdiction where you are subject to tax

7. Withholding Taxes and Stock Withholding. Regardless of any action the Company or your actual employer (the "***Employer***") takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding ("***Tax-Related Items***"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the award, including the grant, vesting or settlement of the RSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (ii) do not commit to structure the terms of the award or any aspect of the RSUs to reduce or eliminate your liability for Tax-Related Items. You acknowledge that if you are subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the settlement of your RSUs, you shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding and payment on account obligations of the Company and/or the Employer. In this regard, you authorize the Company and/or the Employer to withhold all applicable Tax-Related Items legally payable (which, if you are an Insider, shall be determined without regard to any potential application of Section 83(c)(3) of the Code) by you from your wages or other cash compensation paid to you by the Company and/or the Employer. With the Company's consent, these arrangements may also include, if permissible under local law, (a) withholding Shares that otherwise would be issued to

you when your RSUs are settled, (b) having the Company withhold taxes from the proceeds of the sale of the Shares, either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf and you hereby authorize such sales by this authorization), (c) your payment of a cash amount, or (d) any other arrangement approved by the Company; all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Trading Plan Policy, if applicable; provided however, that if you are a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (a)-(d) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event. The Fair Market Value of these Shares will be applied as a credit against the withholding taxes. You shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of your participation in the Plan or your purchase of Shares that cannot be satisfied by the means previously described. Finally, you acknowledge that the Company has no obligation to deliver Shares to you until you have satisfied the obligations in connection with the Tax-Related Items as described in this Section.

8. Acknowledgement. The Company and you agree that the RSUs are granted under and governed by the Notice, this RSU Agreement and the provisions of the Plan (incorporated herein by reference). You: (i) acknowledge receipt of a copy of the Plan and the Plan prospectus, (ii) represent that you have carefully read and are familiar with their provisions, and (iii) hereby accept the RSUs subject to all of the terms and conditions set forth herein and those set forth in the Plan and the Notice. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this RSU Agreement.

9. Entire Agreement; Enforcement of Rights. This RSU Agreement, the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this RSU Agreement, nor any waiver of any rights under this RSU Agreement, shall be effective unless in writing and signed by the parties to this RSU Agreement. The failure by either party to enforce any rights under this RSU Agreement shall not be construed as a waiver of any rights of such party.

10. Compliance with Laws and Regulations. The issuance of Shares will be subject to and conditioned upon compliance by the Company and you with all applicable state, federal and foreign laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer. The Shares issued pursuant to this RSU Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

11. Governing Law; Severability. If one or more provisions of this RSU Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this RSU Agreement, (ii) the balance of this RSU Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this RSU Agreement shall be enforceable in accordance with its terms. This RSU Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that may arise directly or indirectly from the Plan, the Notice and this RSU Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California in Santa Clara County or the federal courts of the United States for the Northern District of California and no other courts.

11. No Rights as Employee, Director or Consultant. Nothing in this RSU Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent, Subsidiary or Affiliate of the Company, to terminate your Service, for any reason, with or without Cause.

12. Consent to Electronic Delivery of All Plan Documents and Disclosures. By your acceptance of this RSU, you consent to the electronic delivery of the Notice, this RSU Agreement, the Plan, account statements, Plan prospectuses required by the Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the RSU. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. You acknowledge that you may receive from the Company a paper copy of any documents delivered electronically at no cost if you contact the Company by telephone, through a postal service or electronic mail at . You further acknowledge that you will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, you understand that you must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, you understand that your consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if you have provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail at . Finally, you understand that you are not required to consent to electronic delivery.

13. Code Section 409A. For purposes of this RSU Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" as defined in Section 409A of the Internal Revenue Code and the regulations thereunder ("**Section 409A**"). Notwithstanding anything else provided herein, to the extent any payments provided under this RSU Agreement in connection with your termination of employment constitute deferred compensation subject to Section 409A, and you are deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six-month period measured from your separation from service or (ii) the date of your death following such a separation from service; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to you including, without limitation, the additional tax for which you would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. To the extent any payment under this RSU Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this section are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

14. **Award Subject to Company Clawback or Recoupment**. To the extent permitted by applicable law, the RSUs shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of your employment or other Service that is applicable to you. In addition to any other remedies available under such policy, applicable law may require the cancellation of your RSUs (whether vested or unvested) and the recoupment of any gains realized with respect to your RSUs.

BY ACCEPTING THIS RSU, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

NOTICE OF STOCK APPRECIATION RIGHT AWARD

LENDINGCLUB CORPORATION
2014 EQUITY INCENTIVE PLAN

Unless otherwise defined herein, the terms defined in the LendingClub Corporation (the "***Company***") 2014 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Stock Appreciation Right Award (the "***Notice of Grant***") and the attached Stock Appreciation Right Agreement (the "***SAR Agreement***"). You have been granted an award of Stock Appreciation Rights (the "***SAR***") of the Company under the Plan subject to the terms, restrictions and conditions of the Plan, this Notice of Grant and the SAR Agreement.

Name:	
Address:	
Date of Grant:	
Vesting Commencement Date:	
Fair Market Value on Date of Grant:	
Total Number of Shares:	
Expiration Date:	
Vesting Schedule:	The SAR becomes exercisable with respect to the first 25% of the Shares subject to the SAR when you complete 12 months of continuous Service from the Vesting Commencement Date. Thereafter, the SAR becomes exercisable with respect to an additional 1/48th of the Shares subject to the SAR when you complete each month of Service.

You acknowledge that the vesting of the SAR pursuant to this Notice of Grant is earned only by continuing Service. By accepting the SAR, you and the Company agree that the SAR is granted under and governed by the terms and conditions of the Plan, the Notice of Grant and the SAR Agreement. By accepting the SAR, you consent to electronic delivery as set forth in the SAR Agreement.

PARTICIPANT:	**LENDINGCLUB CORPORATION**
Signature:	By:
Print Name:	Name:
	Its:

STOCK APPRECIATION RIGHT AWARD AGREEMENT

LENDINGCLUB CORPORATION

2014 EQUITY INCENTIVE PLAN

You have been granted an award of Stock Appreciation Rights (the "***SAR***") by LendingClub Corporation (the "***Company***") under the 2014 Equity Incentive Plan (the "***Plan***"), subject to the terms and conditions of the Plan, the Notice of Stock Appreciation Right Award (the "***Notice of Grant***") and this Stock Appreciation Right Agreement (the "***Agreement***").

1. Grant of SAR. You have been granted a SAR for the number of Shares set forth in the Notice of Grant at the fair market value set forth in the Notice of Grant. In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Agreement, the terms and conditions of the Plan shall prevail.

2. Termination Period.

(a) General Rule. If your Service terminates for any reason except death or Disability, and other than for Cause, then this SAR will expire at the close of business at Company headquarters on the date three months after your termination of Service (subject to the expiration detailed in Section 6). In no event shall this SAR be exercised later than the Expiration Date set forth in the Notice of Grant. If your Service is terminated for Cause, this SAR will expire upon the date of such termination. The Company determines when your Service terminates for all purposes under this Agreement.

(b) Death; Disability. If you die before your Service terminates (or you die within three months of your termination of Service other than for Cause), then this SAR will expire at the close of business at Company headquarters on the date 12 months after the date of death (subject to the expiration detailed in Section 6). If your Service terminates because of your Disability, then this SAR will expire at the close of business at Company headquarters on the date 12 months after your termination date (subject to the expiration detailed in Section 6).

(c) No Notice. You are responsible for keeping track of these exercise periods following your termination of Service for any reason. The Company will not provide further notice of such periods. In no event shall this SAR be exercised later than the Expiration Date set forth in the Notice of Grant.

3. Vesting Rights. Subject to the applicable provisions of the Plan and this Agreement, this SAR may be exercised, in whole or in part, in accordance with the schedule set forth in the Notice of Grant.

4. Exercise of SAR.

(a) Right to Exercise. This SAR is exercisable during its term in accordance with the Vesting Schedule set forth in the Notice of Grant and the applicable provisions of the Plan and this Agreement. In the event of your death, Disability, or other cessation of Service, the exercisability of the SAR is governed by the applicable provisions of the Plan, the Notice of Grant and this Agreement. This SAR may not be exercised for a fraction of a Share.

(b) Method of Exercise. This SAR is exercisable by delivery of an exercise notice in a form specified by the Company (the "***Exercise Notice***"), which shall state the election to exercise the SAR, the number of Shares in respect of which the SAR is being exercised, and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be delivered in person, by mail, via electronic mail or facsimile or by other authorized method to the Secretary of the Company or other person designated by the Company. This

SAR shall be deemed to be exercised upon receipt by the Company of a fully executed Exercise Notice and any applicable tax withholding due upon exercise of the SAR.

(c) No Shares shall be issued pursuant to the exercise of this SAR unless such issuance and exercise complies with all relevant provisions of law and the requirements of any stock exchange or quotation service upon which the Shares are then listed. Assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to you on the date the SAR is exercised with respect to such Exercised Shares.

5. Non-Transferability of SAR. This SAR may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during your lifetime only by you unless otherwise permitted by the Committee on a case-by-case basis. The terms of the Plan and this Agreement shall be binding upon your executors, administrators, heirs, successors and assign.

6. Term of SAR. This SAR shall in any event expire on the expiration date set forth in the Notice of Grant, which date is not more than 10 years after the Date of Grant.

7. Tax Consequences. You should consult a tax adviser for tax consequences relating to this SAR in the jurisdiction in which you are subject to tax. YOU SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THIS SAR OR DISPOSING OF THE SHARES. If you are an Employee or a former Employee, the Company may be required to withhold from your compensation an amount equal to the minimum amount the Company is required to withhold for income and employment taxes or collect from you and pay to the applicable taxing authorities an amount in cash equal to a percentage of this compensation income at the time of exercise.

8. Withholding Taxes and Stock Withholding. Regardless of any action the Company or your actual employer (the "***Employer***") takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding ("***Tax-Related Items***"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the SAR, including the grant, vesting or exercise of the SAR, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (2) do not commit to structure the terms of the grant or any aspect of the SAR to reduce or eliminate your liability for Tax-Related Items. You acknowledge that if you are subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to exercise of the SAR, you shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding and payment on account obligations of the Company and/or the Employer. In this regard, you authorize the Company and/or the Employer to withhold all applicable Tax-Related Items legally payable (which, if you are an Insider, shall be determined without regard to any potential application of Section 83(c)(3) of the Code) by you from your wages or other cash compensation paid to you by the Company and/or the Employer. With the Company's consent, these arrangements may also include, if permissible under local law, (a) withholding Shares that otherwise would be issued to you when you exercise this SAR, (b) having the Company withhold taxes from the proceeds of the sale of the Shares, either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf and you hereby authorize such sales by this authorization), (c) your payment of a cash amount, or (d) any other arrangement approved by the Company; all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Trading Plan Policy, if applicable; provided however, that if you are a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (a)-(d) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event. The Fair Market Value of these Shares, determined as of the effective date of the SAR

exercise, will be applied as a credit against the withholding taxes. You shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of your participation in the Plan or your purchase of Shares that cannot be satisfied by the means previously described. Finally, you acknowledge that the Company has no obligation to honor the exercise or deliver Shares to you until you have satisfied the obligations in connection with the Tax-Related Items as described in this Section.

9. Acknowledgement. The Company and you agree that the SAR is granted under and governed by the Notice of Grant, this Agreement and the provisions of the Plan (incorporated herein by reference). You: (i) acknowledge receipt of a copy of the Plan and the Plan prospectus, (ii) represent that you have carefully read and are familiar with their provisions, and (iii) hereby accept the SAR subject to all of the terms and conditions set forth herein and those set forth in the Plan and the Notice of Grant. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice of Grant and the SAR Agreement.

10. Entire Agreement; Enforcement of Rights. This Agreement, the Plan and the Notice of Grant constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

11. Compliance with Laws and Regulations. The issuance of Shares will be subject to and conditioned upon compliance by the Company and you with all applicable state, federal and foreign laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer. The Shares issued pursuant to this Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

12. Governing Law; Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that may arise directly or indirectly from the Plan, the Notice of Grant and this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California in Santa Clara County or the federal courts of the United States for the Northern District of California and no other courts.

13. No Rights as Employee, Director or Consultant. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent, Subsidiary or Affiliate of the Company, to terminate your Service, for any reason, with or without Cause.

14. Consent to Electronic Delivery of All Plan Documents and Disclosures. By your acceptance of this SAR, you consent to the electronic delivery of the Notice of Grant, this Agreement, the Plan, account statements, Plan prospectuses required by the Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the SAR. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. You acknowledge that you may receive from the

Company a paper copy of any documents delivered electronically at no cost if you contact the Company by telephone, through a postal service or electronic mail at . You further acknowledge that you will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, you understand that you must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, you understand that your consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if you have provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail at . Finally, you understand that you are not required to consent to electronic delivery.

15. Award Subject to Company Clawback or Recoupment. To the extent permitted by applicable law, the SAR shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of your employment or other Service that is applicable to you. In addition to any other remedies available under such policy, applicable law may require the cancellation of your SAR (whether vested or unvested) and the recoupment of any gains realized with respect to your SAR.

BY ACCEPTING THIS SAR, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

NOTICE OF STOCK BONUS AWARD

LENDINGCLUB CORPORATION
2014 EQUITY INCENTIVE PLAN

Unless otherwise defined herein, the terms defined in the LendingClub Corporation (the "***Company***") 2014 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Stock Bonus Award (the "***Notice***") and the attached Stock Bonus Award Agreement (the "***Stock Bonus Agreement***"). You have been granted an award of Shares under the Plan (the "***Stock Bonus Award***") subject to the terms and conditions of the Plan, this Notice and the attached Stock Bonus Agreement.

Name:	
Address:	
Number of Shares:	
Date of Grant:	
Vesting Commencement Date:	
Vesting Schedule:	[Subject to the limitations set forth in this Notice, the Plan and the Stock Bonus Agreement, 25% of the total number of Shares subject to the Stock Bonus Award will vest on the 12 month anniversary of the Vesting Commencement Date and 12.5% of the total number of Shares will vest on each six month anniversary thereafter so long as your Service continues.]

You acknowledge that the vesting of the Shares pursuant to this Notice is earned only by continuing Service. By accepting this Stock Bonus Award, you and the Company agree that this Stock Bonus Award is granted under and governed by the terms and conditions of the Plan, the Notice and the Stock Bonus Agreement. By accepting this Stock Bonus Award, you consent to electronic delivery as set forth in the Stock Bonus Agreement.

PARTICIPANT	**LENDINGCLUB CORPORATION**
Signature:	By:
Print Name:	Name:
	Its:

STOCK BONUS AWARD AGREEMENT

LENDINGCLUB CORPORATION
2014 EQUITY INCENTIVE PLAN

You have been granted a Stock Bonus Award ("***Stock Bonus Award***") by LendingClub Corporation (the "***Company***"), subject to the terms, restrictions and conditions of the Plan, the Notice of Stock Bonus Award (the "***Notice***") and this Stock Bonus Award Agreement (this "***Agreement***").

1. Issuance. Your Stock Bonus Award shall be issued in Shares, and the Company's transfer agent shall record ownership of such Shares in your name as soon as reasonably practicable.

2. No Stockholder Rights. Unless and until you are recorded as the holder of such Shares on the stock records of the Company and its transfer agent, you shall have no right to dividends or to vote Shares.

3. No-Transfer. Unvested Shares subject to your Stock Bonus Award shall not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of by you or any person whose interest derives from your interest. "***Unvested Shares***" are Shares that have not yet vested pursuant to the terms of the vesting schedule set forth in the Notice.

4. Termination. If your Service terminates for any reason, all Unvested Shares shall immediately be forfeited to the Company, and all rights you have to such Unvested Shares shall immediately terminate. In case of any dispute as to whether a termination of Service has occurred, the Committee shall have sole discretion to determine whether such termination has occurred and the effective date of such termination.

5. Tax Consequences. YOU SHOULD CONSULT A TAX ADVISER BEFORE ACQUIRING THE SHARES IN THE JURISDICTION IN WHICH YOU ARE SUBJECT TO TAX. Shares shall not be issued under this Agreement unless you make arrangements acceptable to the Company to pay any withholding taxes that may be due as a result of the acquisition or vesting of Shares.

6. Withholding Taxes and Stock Withholding. Regardless of any action the Company or your actual employer (the "***Employer***") takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding ("***Tax-Related Items***"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the award, including the award or vesting of such Shares, the subsequent sale of Shares under this award and the receipt of any dividends; and (2) do not commit to structure the terms of the award to reduce or eliminate your liability for Tax-Related Items. You acknowledge that if you are subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

The Company will only recognize you as a record holder of Shares if you have paid or made adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding and payment on account obligations of the Company and/or the Employer. In this regard, you authorize the Company and/or the Employer to withhold all applicable Tax-Related Items legally payable (which, if you are an Insider, shall be determined without regard to any potential application of Section 83(c)(3) of the Code) by you from your wages or other cash compensation paid to you by the Company and/or the Employer. With the Company's consent, these arrangements may also include, if permissible under local law, (a) withholding Shares that otherwise would be released when they vest, (b) having the Company withhold taxes from the proceeds of the sale of the Shares, either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf and you hereby authorize such sales by this authorization), (c) your payment of a cash amount, or (d) any other arrangement approved by the Company; all under such rules as may be established by the Committee and in

compliance with the Company's Insider Trading Policy and 10b5-1 Trading Plan Policy, if applicable; provided however, that if you are a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (a)-(d) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event. The Fair Market Value of these Shares will be applied as a credit against the withholding taxes. You shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of your participation in the Plan or your purchase of Shares that cannot be satisfied by the means previously described. Finally, you acknowledge that the Company has no obligation to deliver Shares to you until you have satisfied the obligations in connection with the Tax-Related Items as described in this Section.

7. Acknowledgement. The Company and you agree that the Stock Bonus Award is granted under and governed by the Notice, this Agreement and the provisions of the Plan (incorporated herein by reference). You: (i) acknowledge receipt of a copy of the Plan and the Plan prospectus, (ii) represent that you have carefully read and are familiar with their provisions, and (iii) hereby accept the Stock Bonus Award subject to all of the terms and conditions set forth herein and those set forth in the Plan and the Notice. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and the Stock Bonus Award.

8. Entire Agreement; Enforcement of Rights. This Agreement, the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

9. Compliance with Laws and Regulations. The issuance of Shares will be subject to and conditioned upon compliance by the Company and you with all applicable state, federal and foreign laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer. The Shares issued pursuant to this Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

10. Governing Law; Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that may arise directly or indirectly from the Plan, the Notice and this Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such litigation shall be conducted only in the courts of California in Santa Clara County or the federal courts of the United States for the Northern District of California and no other courts.

10. No Rights as Employee, Director or Consultant. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent, Subsidiary or Affiliate of the Company, to terminate your Service, for any reason, with or without Cause.

11. Consent to Electronic Delivery of All Plan Documents and Disclosures. By acceptance of this Stock Bonus Award, you consent to the electronic delivery of the Notice, this Agreement, the Plan, account statements, Plan prospectuses required by the Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the

Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the Stock Bonus Award. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. You acknowledge that you may receive from the Company a paper copy of any documents delivered electronically at no cost if you contact the Company by telephone, through a postal service or electronic mail at . You further acknowledge that you will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, you understand that you must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, you understand that your consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if you have provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail at . Finally, you understand that you are not required to consent to electronic delivery.

12. Award Subject to Company Clawback or Recoupment. To the extent permitted by applicable law, the Stock Bonus Award shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of your employment or other Service with the Company that is applicable to you. In addition to any other remedies available under such policy, applicable law may require the cancellation of your Stock Bonus Award (whether vested or unvested) and the recoupment of any gains realized with respect to your Stock Bonus Award.

BY ACCEPTING THE STOCK BONUS AWARD, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

NOTICE OF RESTRICTED STOCK UNIT AWARD
(Full Career Vesting Eligible)

LENDINGCLUB CORPORATION
2014 EQUITY INCENTIVE PLAN

Unless otherwise defined herein, the terms defined in the LendingClub Corporation (the "***Company***") 2014 Equity Incentive Plan (the "***Plan***") shall have the same meanings in this Notice of Restricted Stock Unit Award (the "***Notice***") and the attached Restricted Stock Unit Agreement (the "***RSU Agreement***"). You have been granted an award of Restricted Stock Units ("***RSUs***") under the Plan subject to the terms and conditions of the Plan, this Notice and the attached RSU Agreement.

Name:	_____
Address:	_____
Number of RSUs:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Expiration Date:	The date on which settlement of all RSUs granted hereunder occurs. This RSU expires earlier if your Service terminates and, if applicable, the expiration date of your Full Career Vesting Period (as such term is defined in Attachment 1 to the RSU Agreement), as described in the RSU Agreement.
Vesting Schedule:	**Sample vesting language**: [Subject to the limitations set forth in the Notice, the Plan and the RSU Agreement, % of the total number of RSUs will vest on the three month anniversary of the Vesting Commencement Date and % of the total number of RSUs will vest on each three month anniversary thereafter so long as your Service continues or you are in the Full Career Vesting Period.] **[Alternate:** Subject to the limitations set forth in the Notice, the Plan, and the RSU Agreement, this RSU will vest contingently, in whole or in part, upon the achievement of the Performance Factors during the Performance Period, as set forth on Exhibit A hereto.**]**
Additional Terms:	The additional terms and conditions set forth on Attachment 1 to the RSU Agreement are applicable and are incorporated herein by reference.

By accepting this award, you and the Company agree that this award is granted under and governed by the terms and conditions of the Plan, the Notice and the RSU Agreement. By accepting this RSU, you consent to electronic delivery as set forth in the RSU Agreement.

PARTICIPANT

Signature: _____

Print Name: _____

LENDINGCLUB CORPORATION

By: _____

Name: _____

Its: _____

RESTRICTED STOCK UNIT AGREEMENT
(Full Career Vesting Eligible)

LENDINGCLUB CORPORATION
2014 EQUITY INCENTIVE PLAN

You have been granted Restricted Stock Units ("***RSUs***") by LendingClub Corporation (the "***Company***") subject to the terms, restrictions and conditions of the Plan, the Notice of Restricted Stock Unit Award (the "***Notice***") and this Restricted Stock Unit Agreement (this "***RSU Agreement***").

1. Settlement. Settlement of RSUs shall be made in the same calendar year as the applicable date of vesting under the vesting schedule set forth in the Notice; provided, however, that if the vesting date under the vesting schedule set forth in the Notice is in December, then settlement of any RSUs that vest in December shall be within 30 days of vesting. Settlement of RSUs shall be in Shares. Settlement means the delivery of the Shares vested under an RSU. No fractional RSUs or rights for fractional Shares shall be created pursuant to this RSU Agreement.

2. No Stockholder Rights. Unless and until such time as Shares are issued in settlement of vested RSUs, you shall have no ownership of the Shares allocated to the RSUs and shall have no right to dividends or to vote such Shares.

3. Dividend Equivalents. Dividends, if any (whether in cash or Shares), shall not be credited to you.

4. No Transfer. RSUs may not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of in any manner other than by will or by the laws of descent or distribution or court order or unless otherwise permitted by the Committee on a case-by-case basis.

5. Termination. All unvested RSUs shall be forfeited to the Company forthwith, and all rights you have to such RSUs shall immediately terminate upon either: (i) the date your Service terminates if you do not qualify for the Full Career Vesting Benefit (as such term is defined in Attachment 1 hereto) or (ii) the expiration date of your Full Career Vesting Period if you do qualify for the Full Career Vesting Benefit. In case of any dispute as to whether your termination of Service has occurred or whether you qualify for the Full Career Vesting Benefit, the Committee shall have sole discretion to determine whether: (i) such termination or qualification has occurred and (ii) the date on which all then unvested RSUs shall be forfeited to the Company and all rights you have to such RSUs shall terminate.

6. Tax Consequences. You acknowledge that you will recognize tax consequences in connection with the RSUs. You should consult a tax adviser regarding your tax obligations in the jurisdiction where you are subject to tax

7. Withholding Taxes and Stock Withholding. Regardless of any action the Company or your actual employer (the "***Employer***") takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding ("***Tax-Related Items***"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the award, including the grant, vesting or settlement of the RSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (ii) do not commit to structure the terms of the award or any aspect of the RSUs to reduce or eliminate your liability for Tax-Related Items. You acknowledge that if you are subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the settlement of your RSUs, you shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding and payment on account obligations of the Company and/or the Employer. In this regard, you authorize the Company and/or the Employer to withhold all applicable Tax-Related Items legally payable (which, if you are an Insider, shall be determined without regard to any potential application of Section 83(c)(3) of the Code) by you from your wages or other cash compensation paid to you by the Company and/or the Employer. With the Company's consent, these arrangements may also include, if permissible under local law, (a) withholding Shares that otherwise would be issued to you when your RSUs are settled, (b) having the Company withhold taxes from the proceeds of the sale of the Shares, either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf and you hereby authorize such sales by this authorization), (c) your payment of a cash amount, or (d) any other arrangement approved by the Company; all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Trading Plan Policy, if applicable; provided however, that if you are a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (a)-(d) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event. The Fair Market Value of these Shares will be applied as a credit against the withholding taxes. You shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of your participation in the Plan or your purchase of Shares that cannot be satisfied by the means previously described. Finally, you acknowledge that the Company has no obligation to deliver Shares to you until you have satisfied the obligations in connection with the Tax-Related Items as described in this Section.

8. Acknowledgement. The Company and you agree that the RSUs are granted under and governed by the Notice, this RSU Agreement and the provisions of the Plan (incorporated herein by reference). You: (i) acknowledge receipt of a copy of the Plan and the Plan prospectus, (ii) represent that you have carefully read and are familiar with their provisions, and (iii) hereby accept the RSUs subject to all of the terms and conditions set forth herein and those set forth in the Plan and the Notice. You hereby agree to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this RSU Agreement.

9. Entire Agreement; Enforcement of Rights. This RSU Agreement, the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this RSU Agreement, nor any waiver of any rights under this RSU Agreement, shall be effective unless in writing and signed by the parties to this RSU Agreement. The failure by either party to enforce any rights under this RSU Agreement shall not be construed as a waiver of any rights of such party.

10. Compliance with Laws and Regulations. The issuance of Shares will be subject to and conditioned upon compliance by the Company and you with all applicable state, federal and foreign laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer. The Shares issued pursuant to this RSU Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

11. Governing Law; Severability. If one or more provisions of this RSU Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this RSU Agreement, (ii) the balance of this RSU Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this RSU Agreement shall be enforceable in accordance with its terms. This RSU Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For purposes of litigating any dispute that may arise directly or indirectly from the Plan, the Notice and this RSU Agreement, the parties hereby submit and consent to litigation in the exclusive jurisdiction of the State of California and agree that any such

litigation shall be conducted only in the courts of California in Santa Clara County or the federal courts of the United States for the Northern District of California and no other courts.

11. No Rights as Employee, Director or Consultant. Nothing in this RSU Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent, Subsidiary or Affiliate of the Company, to terminate your Service, for any reason, with or without Cause.

12. Consent to Electronic Delivery of All Plan Documents and Disclosures. By your acceptance of this RSU, you consent to the electronic delivery of the Notice, this RSU Agreement, the Plan, account statements, Plan prospectuses required by the Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the RSU. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. You acknowledge that you may receive from the Company a paper copy of any documents delivered electronically at no cost if you contact the Company by telephone, through a postal service or electronic mail at . You further acknowledge that you will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, you understand that you must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, you understand that your consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if you have provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail at . Finally, you understand that you are not required to consent to electronic delivery.

13. Code Section 409A. For purposes of this RSU Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" as defined in Section 409A of the Internal Revenue Code and the regulations thereunder ("**Section 409A**"). Notwithstanding anything else provided herein, to the extent any payments provided under this RSU Agreement in connection with your termination of employment constitute deferred compensation subject to Section 409A, and you are deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six-month period measured from your separation from service or (ii) the date of your death following such a separation from service; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to you including, without limitation, the additional tax for which you would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. To the extent any payment under this RSU Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this section are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

14. **Award Subject to Company Clawback or Recoupment**. To the extent permitted by applicable law, the RSUs shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of your employment or other Service that is applicable to you. In addition to any other remedies available under such policy, applicable law may require the cancellation of your RSUs (whether vested or unvested) and the recoupment of any gains realized with respect to your RSUs.

BY ACCEPTING THIS RSU, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

Attachment 1
RESTRICTED STOCK UNIT AGREEMENT
(Full Career Vesting Eligible)

The RSUs are granted pursuant to the Plan, the Notice and the RSU Agreement, including this Attachment 1, and will be eligible to vest, pursuant to the Vesting Schedule set forth in the Notice, until the later of: (i) the date your Service terminates or (ii) provided you qualify for the Full Vesting Career Benefit, the expiration date of your Full Career Vesting Period. This Attachment 1 sets forth the definition, terms and conditions of Full Career Vesting Period and Full Career Vesting Benefit.

Notwithstanding anything to the contrary:

1. The Committee shall have the authority to adjust the Full Career Vesting Period and Full Career Vesting Benefit in accordance with the terms of the Plan to take into account any extraordinary or unusual items, event or circumstances to avoid windfalls or hardships.

2. To the extent that earning or vesting in your award is subject to the achievement of any performance factors (a "***Performance Based RSU***"), then the Full Career Vesting Benefit shall apply only after the applicable performance period is completed and the extent of performance achievement is determined and only to any Service based vesting applicable to the earned portion of the Performance Based RSU.

"**Full Career Vesting Period**" means the period starting on the date your Service terminates through the date that is the [#] month anniversary thereof. The expiration date of your Full Career Vesting Period shall be the last day of such period.

"**Full Career Vesting Benefit**" means the right and benefit to have the Full Career Vesting Period apply to this award, such that you continue to vest in the RSUs as though you provided continuous Service through the expiration date of the Full Career Vesting Period. Such right and benefit is qualified and conditioned upon the performance and/or achievement of each of the following criteria:

1. [You provided at least [#] days prior written notice ("***Notice***") to the Company's then Chief Executive Officer of your intention to voluntarily terminate Service with the Company due to your good faith intention to cease all full-time employment, with the Company or otherwise, and during which Notice period you provided such services as requested by the Company in a cooperative and professional manner;

2. On the date immediately prior to the termination of your Service, you are at least [#] years of age and have completed at least [#] years of continuous Service with the Company;

3. You have signed and not revoked a release of claims against the Company in a form reasonably acceptable to the Company, in each case, within the time periods specified in such release of claims and such release of claims has become effective; and

4. [ANY ADDITIONAL CRITERIA LISTED HERE]]

This Attachment 1 is subject to the terms and conditions of the Plan, which among other things, provides that any dispute regarding the interpretation of this Attachment 1 shall be submitted by you or Company to the Committee for review and the resolution of such a dispute by the Committee shall be final and binding on the Company and you.

Investor Agreement

The following terms constitute a binding agreement (the "*Agreement*") between you and LendingClub Corporation, a Delaware corporation ("*LendingClub*", "*we*" or "*us*"). This Agreement will govern your relationship with LendingClub and your purchases of LendingClub Member Payment Dependent Notes ("*Notes*") that you may make from time to time through LendingClub or any other authorized secondary market (such as Folio Investing, Inc.), entity, person, website or platform (each, a "*Third Party*"). Please carefully read this Agreement, the Terms of Use ("*Terms of Use*") and Privacy Policy ("*Privacy Policy*"), posted on LendingClub's website at www.lendingclub.com, and the Prospectus (as defined below) and print and retain a copy of these documents for your records. By signing electronically below, you agree to be bound by the terms of this Agreement, the Terms of Use, and the Privacy Policy, and to transact business with us and receive communications relating to the Notes electronically. **By signing below, you also agree to have any dispute with us resolved by binding arbitration**.

We offer and sell Notes via a registration statement filed with the Securities and Exchange Commission (SEC) (as amended, updated, or replaced from time to time, the "*Registration Statement*"). The Registration Statement is available via our website and includes a prospectus (as supplemented from time to time, the "*Prospectus*"). By signing this Agreement, you acknowledge (i) that the Prospectus has been made available electronically to you, (ii) that you have read and understand the Prospectus and (iii) that any Notes you have purchased or may purchase or acquire, regardless of whether such purchase or acquisition is through LendingClub or a Third Party, are issued pursuant and subject to the terms of the Prospectus.

1. Purchase of Notes After Updates to Prospectus or Agreements. The Registration Statement and Prospectus may be amended, updated or replaced periodically through filings and related disclosures that we make with the SEC, which will be available on the SEC's EDGAR website and our website. It is your responsibility to review LendingClub's public filings periodically.

LendingClub reserves the right to amend, update, or replace this Agreement, the Terms of Use, and the Privacy Policy (collectively, the "*Investor Agreement Package*"). If we do this, we will post the updated documents on our website. The date any document in the Investor Agreement Package was last revised will be indicated at the top of such document. It is your responsibility to visit the LendingClub website periodically to review the most current terms and conditions of the Investor Agreement Package.

You understand and agree that your placement of an order for any Note(s) directly or through a Third Party on or after the date of any such amendments, updates, or replacements to the Investor Agreement Package, the Prospectus, or the Registration Statement shall constitute:

- Your acknowledgement (i) that the updated Prospectus is publicly available on EDGAR, (ii) that you have read and understand the updated Prospectus and (iii) that any Notes you purchase thereafter, regardless of whether such purchase is through LendingClub or any Third Party, are issued pursuant and subject to the terms of the updated Prospectus; and
- Your acceptance of and agreement to the terms of the updated Investor Agreement Package, which shall supersede and replace the terms of any previous Investor Agreement Package.

2. Additional Terms and Conditions. From time to time, LendingClub may provide additional terms and conditions for retail investors on the LendingClub platform. These may include but are not limited to: (i) state and financial suitability requirements, (ii) account opening and closing procedures or requirements, (iii) caps, limits, or other restrictions on Note purchases or other account activity (such as a cap on the percentage of any individual loan request amount per Note order or a daily or weekly maximum aggregate Note purchase amount), or (iv) details of any available marketing or other customer offers. LendingClub

may communicate these terms and conditions in a variety of methods, including by email or posting on our website, blog, or within investors' accounts. LendingClub may update, modify, or amend such additional terms and conditions at any time, without notice, in its sole discretion. It is your responsibility to review all communications from LendingClub, including emails, your account, and the LendingClub website periodically to review the current terms and conditions. Notwithstanding your agreement to any updated Investor Agreement Package above, you agree to comply with these additional terms and conditions as they are updated, modified, or amended from time to time.

3. Opening an Account. You may only place an order for a Note after registering and being approved for a LendingClub investor account (an "*Account*"). By registering for an Account, either directly or through a Third Party, you acknowledge and agree that LendingClub or such Third Party may condition the approval of, or your continued access to, such Account on satisfactory completion, as determined by LendingClub or such Third Party in their sole discretion, of their respective account opening procedures. You acknowledge and agree that LendingClub has the right to deny any registration for an Account, with or without cause, immediately and without notice, in its sole discretion.

When you open an Account and at any time thereafter, we may ask for your name, address, date of birth, and other financial, personal, or business information that will allow us to verify your identify (the "*Personal Information*"). We may require you to produce a copy of a government-issued photo identification or other identifying documents. We may at any time make inquiries, directly or through third parties on our behalf, to validate information that you provide to us. You authorize LendingClub to use the Personal Information for such procedures and acknowledge and authorize LendingClub to submit the Personal Information to third party consumer reporting agencies and obtain your consumer credit reports. You may be required to produce additional information or documents in order to complete your registration.

4. Purchase of Notes. Subject to the terms and conditions of this Agreement, you will be provided (either directly through our website or indirectly via a Third Party), the opportunity through your Account to:

- Review requests for loans (upon issuance, "*Member Loans*") that LendingClub has received from borrower applicants and approved for listing; and
- Place orders for Notes, each such Note corresponding to and dependent for payment upon a pro rata portion of a specific Member Loan.

At the time you place an order for a Note, you must have sufficient funds in your Account to complete the purchase, and you will not have further access to those funds unless and until LendingClub notifies you (either directly or indirectly) that the corresponding Member Loan will not be issued. Orders for Notes through any LendingClub automated investing tool (or similar features) are subject to the availability of such Notes, which can be impacted by multiple factors, including, but not limited to, the volume of corresponding Member Loans and demand for Notes or Member Loans from other participants on the LendingClub platform. The terms of this paragraph may not apply to Notes purchased through a Third Party as the Member Loans affiliated with such Notes may have been issued prior to the purchase(s). If you are purchasing or acquiring a Note through a Third Party, LendingClub is not responsible for information provided by or through such Third Party.

5. Note Issuance. A Note is issued and sold to the original Note purchaser immediately after LendingClub purchases the corresponding Member Loan. LendingClub purchases each Member Loan at least two business days after the Member Loan is issued by the issuing bank, which period may be up to five calendar days where the first or second business day precedes a holiday weekend. As a result of this process, the original Note purchaser will hold each newly purchased Note for less than one month before the first payment is due,

making the first payment on such Note (to the extent any corresponding Borrower payments are received) smaller than subsequent monthly payments.

The Notes shall be issued, or, if applicable, have been issued, pursuant to an indenture dated October 10, 2008 (as subsequently amended, supplemented or otherwise restated from time to time, the "*Indenture*") between LendingClub and Delaware Trust Company (formerly CSC Trust Company of Delaware), a Delaware state-chartered trust company, the trustee under the Indenture for the Notes (the "*Trustee*"). The form of Note is an exhibit to the Indenture, which is publicly filed with the SEC.

6. Terms of the Notes. The Notes are issued in series, with each series corresponding to one Member Loan. The Notes of each series will have a stated interest rate that is the same as the interest rate for the corresponding Member Loan and an aggregate stated principal amount equal to the stated principal amount of the corresponding Member Loan. The terms of each series of Notes are set forth on the "sales supplements" we file at least weekly with the SEC, and the terms of your Notes are displayed in the Note listing section of your Account as well as in the form of Note attached to the Indenture. The terms of each Note correspond to the interest rate, time to maturity, and certain other terms of the Member Loan corresponding to such Note. The stated interest rate, time to maturity, and other terms of each Member Loan are described in the Member Loan request as well as in the form of Borrower Agreement (which includes the Loan Agreement and Promissory Note) available on our website (as may be updated from time to time). Please review the Prospectus for more details on the Note offering, including the risks and uncertainties of purchasing Notes.

Payment on the Notes, if any, depends entirely on the receipt of payments by LendingClub from the respective borrower of the corresponding Member Loan (the "*Borrower*"). LendingClub does not warrant or guarantee in any manner that you will (i) receive all or any portion of the principal or interest you expect to receive on any Note or (ii) realize any particular or expected rate of return on any Note. LendingClub does not make any representations as to a Borrower's ability to pay and does not act as a guarantor or insurer of any corresponding Member Loan.

7. Fees. When we receive a Borrower payment on a Member Loan, we will pay on each corresponding Note an amount equal to its pro rata share of such Borrower payment, less the fees and costs set forth below. A Note's pro rata share is equal to the principal amount of the Note in proportion to the aggregate principal amount of the Note series (which corresponds to the principal amount of the corresponding Member Loan). Any payment on a Note will be net of the following fees:

- A servicing fee of up to one percent (1.00%) on any Borrower payments we receive by the payment due date or during applicable grace periods; and
- A collection fee of (i) up to 40% on all amounts collected on a delinquent Member Loan (net of legal fees and expenses) to the extent any litigation has been initiated against the Borrower; or (ii) up to 30% on all amounts collected on a delinquent Member Loan in all cases not involving litigation.

In addition, please note:

- If you are purchasing or acquiring a Note through a Third Party, the amount you receive on your Note, if any, may also be net of additional service or transaction fees charged by such Third Party.

8. Closing Your Account. In the event you request to close your Account, you acknowledge and agree to comply with any and all account closure procedures then required by LendingClub, including, but not limited to, submitting a completed and signed account closure form. If you decide to close your Account, it is your responsibility to withdraw all available cash from such Account prior to closure. You acknowledge and agree that, upon closure of your Account by your request, you may be required to forfeit all right, title, and interest

to and in any and all Note(s) (including any and all Notes in "charge-off" status) then remaining in such Account, including any payments of principal, interest and any and all future proceeds related to such Notes and that, pursuant to such forfeiture, all right, title, and interest to and in such Notes will immediately be transferred to LendingClub.

9. Inactive Accounts. You acknowledge and agree that on the date three (3) years after the most recent Investor-Initiated Contact (as defined below), LendingClub may pause or cancel, immediately and without notice, your participation in any automated investing tool or other similar program in which you have enrolled. "*Investor-Initiated Contact*" means contact with LendingClub by an Account (directly or through a Third Party) initiated by the Account owner or an authorized party of such Account, including (i) communications regarding the status of or changes to an Account made via mail, phone, email or electronically, (ii) clicking on links within emails sent from LendingClub, (iii) successful logins into an Account, (iv) manual deposits into or withdrawals of funds from an Account, (v) orders placed manually for Note(s) (orders placed via an automated investing tool do not qualify), (vi) changes made to the Account's automated investing criteria, and (vii) such other actions as LendingClub, in its sole discretion, may designate pursuant to its policies and procedures.

10. LendingClub's Repurchase of Notes. From time to time LendingClub, in its sole discretion, may repurchase Notes in your account in accordance with its policies and procedures. We may do this for a variety of reasons, including matters related to platform operations or if the Member Loan corresponding to a Note was obtained as a result of identity theft or fraud on the part of the purported Borrower. If we repurchase a Note in your Account, we will credit your Account for the outstanding principal balance of such Note. Following such repurchase, you acknowledge that you will have no further right, title or interest to or in such Note.

11. LendingClub's Right to Suspend or Terminate. LendingClub may in its sole discretion, with or without cause, immediately and without prior notice (i) terminate this Agreement and/or (ii) terminate or suspend your Account, your ability to purchase Notes, or your ability to participate on the LendingClub platform, and may communicate any such action(s) as provided under Sections 15 and 16 below. Except as set forth in the next paragraph, any Notes you purchase or acquire prior to the effective date of any such action by LendingClub shall remain in full force and effect in accordance with their terms.

Notwithstanding and in no way limiting the foregoing, LendingClub, in its sole discretion and in connection with the termination of this Agreement and/or your Account, may require you to forfeit all right, title, and interest to and in any and all Note(s) (including any and all Notes in "charge-off" status) then remaining in your Account, including any payments of principal, interest and any and all future proceeds related to such Notes and that, pursuant to such forfeiture, all right, title, and interest to and in such Notes will immediately be transferred to LendingClub.

12. Your Representations, Covenants, and Acknowledgements. Below are certain representations and warranties (things that you certify have or have not occurred), covenants (things that you promise to do or not do), and acknowledgements (things you certify that you understand and agree are true) that you make to LendingClub.

- You represent and warrant that as of each date that you purchase a Note (either directly or through a Third Party), that:
    - You are a resident of a state where Notes are offered for purchase, as set forth on our website, as updated from time to time;

- You satisfy the minimum financial suitability standards applicable to the state in which you reside, as set forth on our website, as updated from time to time;
- You have made your decision to purchase such Note without discrimination on the basis of race, color, religion, national origin, sex or marital status, age, or whether a Borrower applicant receives any income from any public assistance program;
- The funds used to purchase such Note(s) were not obtained via a Member Loan issued to you or any other person or entity; and
- You have not charged, attempted to charge, or accepted from any Borrower any fee, bonus, interest, kickback or thing of value of any kind in exchange for your purchase or recommendation of any Note(s).

- You understand and acknowledge that Borrowers may default on their payment obligations under the Member Loans and that such defaults will reduce the amounts, if any, you may receive under any corresponding Note(s). You understand and acknowledge that Notes are not guaranteed or insured and you may lose all amounts invested in Notes, regardless of whether you purchase the Notes through LendingClub or any Third Party.
- You understand and acknowledge that the Notes have no or limited liquidity and will not be listed on any securities exchange, that there may be no or only a limited secondary market for the Notes, that any secondary sales or trading of Notes must be conducted in accordance with federal and applicable state securities laws, and that Note purchasers should be prepared to hold the Notes they purchase until the Notes mature.
- Due to the nature of LendingClub operating entirely electronically and online, you acknowledge that each investor may not experience the same functionality, speed, or access to information, services, and Note purchasing ability as other investors on the LendingClub platform and that LendingClub does not warrant that the operation of the LendingClub platform will be uninterrupted or entirely error-free. Service quality and availability may be subject to delay, error or failure due to service connectivity, internet connection difficulties or other factors. You acknowledge that the above may result in (1) an inability or delay in placing orders; (2) varying processing times for transactions; (3) inaccurate information; (4) delay in receipt of information by us from you; (5) your failure to receive any messages from LendingClub; (6) you erroneously believing that you have initiated a transaction or placed an order for a Note when our records show that we have not accepted such an action from you.
- You understand and acknowledge that order programs, features, and tools on the LendingClub platform, including the automated investing tool, may be modified, unavailable, or removed from time to time at LendingClub's sole discretion.
- You represent and warrant that your activity on the LendingClub platform, including registration for an Account, any Account activity, and any Note purchase(s), is in compliance with all applicable laws, including anti-terrorism laws, anti-money laundering law, and any laws administered by the United States Department of the Treasury's Office of Foreign Assets Control or any other governmental entity imposing economic sanctions and trade embargoes.
- You represent and warrant that you have the power to enter into and perform your obligations under the Investor Agreement Package, and that the Investor Agreement Package has been duly authorized, executed and delivered by you.
- You acknowledge and agree that you are purchasing Notes only for your own account and are not acquiring Notes for the account of any other person or entity, whether directly or indirectly.

- You represent and warrant that all personal information you have provided or will provide to LendingClub in connection with your Account, including but not limited to your name, current address and Social Security number or taxpayer identification number, is true, accurate, and complete.
- You agree that to the extent that any Note(s) were purchased through a Third Party, you are bound by the terms of the Investor Agreement Package as if you had purchased such Note(s) directly through LendingClub.
- You acknowledge and agree that LendingClub has not provided you with any legal, accounting, regulatory, financial, or tax advice and that you have had the opportunity to consult and have consulted with your legal, financial, and tax advisers, if and to the extent you deem necessary or appropriate.
- You acknowledge and agree that LendingClub bears no responsibility or liability for any actions taken with respect to your Account if you give a third party access to or control over your Account.
- You acknowledge and agree that you have no right, and shall not, make any attempt, directly or through any other party, to contact or collect any payments from any Borrower.
- You acknowledge and agree that the Notes are intended to be indebtedness of LendingClub for U.S. federal income tax purposes. You agree that you will not take any position inconsistent with such treatment of the Notes for tax, accounting or other purposes, unless required by law. You further acknowledge that the Notes will be subject to the original issue discount rules of the Internal Revenue Code of 1986, as amended, as described in the Prospectus. LendingClub reserves the right to change how it reports income, gains, losses, deductions and any other items for U.S. federal and other income tax purposes at any time to the extent it determines necessary or appropriate. Except as set forth herein, neither party makes any representation or warranty to the other regarding the effect that this Agreement may have upon the foreign, federal, state or local tax liability of the other party.
- You acknowledge and agree that any personal data and information that you may provide to a Third Party may be shared with us in accordance with the terms of our agreements with such Third Parties, and such personal data and information may also be used by us in accordance with the terms of the Privacy Policy.
- You acknowledge and agree that LendingClub is entitled to act upon any instrument, certificate or form we believe is genuine and signed or presented by the proper person or persons and we need not investigate or inquire as to any statement contained in any such document, but may accept it as true and accurate.
- You agree not to represent yourself to any person, as a director, officer, employee or affiliated person of LendingClub, unless you are such a director, officer or employee.
- You shall provide any additional documentation reasonably requested directly by or on behalf of LendingClub (including requests made through a Third Party) to demonstrate your compliance with this section.

13. No Advisory Relationship. You acknowledge and agree that: (a) your purchase of Notes from LendingClub constitutes an arms-length transaction between you and LendingClub, (b) that LendingClub is not acting as your agent or fiduciary, and (c) LendingClub assumes no advisory or fiduciary responsibility in connection with your Account, your order or purchase of any Notes, or your activity on the LendingClub platform.

14. LendingClub's Representations and Warranties. LendingClub represents and warrants to you, as of each date that you purchase Notes (directly or through a Third Party), that:

- It is duly organized and is validly existing as a corporation in good standing under the laws of Delaware and has corporate power to enter into and perform its obligations under this Agreement;
- This Agreement has been duly authorized, executed and delivered by LendingClub;
- The Indenture has been duly authorized by LendingClub and qualified under the Trust Indenture Act of 1939 and constitutes a valid and binding agreement of LendingClub, enforceable against LendingClub in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency or similar laws; and
- The Notes have been duly authorized and, following your payment of the purchase price and the execution, authentication, issuance, and delivery to you, will constitute valid and binding obligations of LendingClub, enforceable against LendingClub in accordance with their terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency or similar laws.

15. Electronic Disclosures and ACH Transactions. This section is in addition to your consent to electronic delivery of Disclosures (as defined in the Terms of Use) that you agree to in the Terms of Use.

(a) *Tax Statements*. You acknowledge and agree that your consent to electronic delivery in the Terms of Use applies to all tax information, forms and statements provided by LendingClub ("*Tax Documents*"). LendingClub will provide Tax Documents to you electronically unless and until you withdraw your consent pursuant to the notice requirements in the Terms of Use or if required by law to provide them in a different form.

(b) *Requests for Paper Copies*. In addition to the LendingClub contact information provided in the Terms of Use, you may also request paper copies of any Disclosures by emailing or calling Investor Services at investing@lendingclub.com or 888-596-3159 (hours 7:00am – 5:00pm PST, Monday-Friday, closed holidays).

(c) *ACH Authorization.* Upon providing instructions to LendingClub to initiate an electronic (ACH) transaction, you authorize LendingClub to transfer funds to and from your Account and your account(s) at a third-party financial institution, the details of which you have provided or will provide to LendingClub. You acknowledge that the origination of electronic entries between your accounts must comply with the provisions of U.S. law. You acknowledge and agree that all ACH/electronic transactions initiated by you are subject to the terms and conditions for ACH/electronic transactions provided at the point of initiation on the transfer/withdrawal portal of the LendingClub platform.

16. Other Notices. All Disclosures, including any notices or communications from the Trustee, will be transmitted to you in accordance with the Terms of Use, and shall be deemed to have been duly given and effective upon transmission or posting (whether delivered directly by LendingClub or indirectly by a Third Party). Unless otherwise noted, you shall send all notices or other communications required to be given hereunder to LendingClub via email at investing@lendingclub.com or by writing to: LendingClub Corporation, 595 Market Street, Suite 200, San Francisco, CA 94105, Attention: Investor Services. You may call LendingClub Investor Services at 888-596-3159 (hours 7:00am – 5:00pm PST, Monday-Friday, closed holidays), but calling may not satisfy your obligation to provide notice hereunder or otherwise preserve your rights.

17. Indemnification by You. In addition to your indemnification obligations set forth in LendingClub's Terms of Use, you agree to indemnify, defend, protect and hold harmless LendingClub and any of its affiliates or subsidiaries and each of their respective officers, directors, members, shareholders, employees and agents (the "*LendingClub Parties*") against all third party claims, liabilities, actions, costs, damages, losses, demands and expenses of every kind, known or unknown, direct or indirect, contingent or otherwise (including all

attorneys' fees incurred in connection with the foregoing), resulting from (i) your material breach of this Agreement, including any failure to comply with applicable laws; or (ii) your negligent or more culpable acts or omissions (and those of your employees, agents or representatives) relating to the LendingClub Parties or this Agreement. Your obligation to indemnify the LendingClub Parties shall survive termination of this Agreement, regardless of the reason for termination.

18. Limitations on Damages. EXCEPT FOR ACTS OR OMISSIONS THAT CONSTITUTE FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, IN NO EVENT SHALL LENDINGCLUB OR ANY OF ITS DIRECTORS, EMPLOYEES, AGENTS, RESPECTIVE AFFILIATES, BENEFICIARIES, ASSIGNEES OR SUCCESSORS (BY ASSIGNMENT OR OTHERWISE) BE LIABLE TO YOU OR ANY THIRD PARTY FOR ANY LOST PROFITS OR OTHER SPECIAL DAMAGES, OR ANY PUNITIVE, EXEMPLARY, REMOTE, CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES, ARISING OUT OF, RELATING TO, AND/OR IN CONNECTION WITH ANY BREACH UNDER THIS AGREEMENT INCURRED OR CLAIMED BY ANY PARTY OR ENTITY (OR SUCH PARTY'S OR ENTITY'S OFFICERS, DIRECTORS, STOCKHOLDERS, MEMBERS OR OWNERS), REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT SUCH PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED. THE TERMS OF THIS SECTION ARE IN ADDITION TO THE LIMITATION ON LIABILITY SECTION SET FORTH IN THE TERMS OF USE.

19. Waiver of Jury Trial. THE PARTIES HERETO WAIVE A TRIAL BY JURY IN ANY LITIGATION RELATING TO THIS AGREEMENT, YOUR LENDINGCLUB ACCOUNT, ANY NOTES PURCHASED PURSUANT TO THIS AGREEMENT, THE CORRESPONDING MEMBER LOAN OR ANY OTHER AGREEMENTS RELATED THERETO.

20. Arbitration.

(a) *General*. Either party to this Agreement may, at its sole election, require that the sole and exclusive forum and remedy for resolution of a Claim (as defined below) be final and binding arbitration pursuant to this Section 20 (the "*Arbitration Provision*"), unless you opt out as provided in Section 20(b) below. As used in this Arbitration Provision, "*Claim*" shall include any past, present or future claim, dispute or controversy involving you (or persons claiming through or connected with you), on the one hand, and LendingClub (or persons claiming through or connected with LendingClub), on the other hand, relating to or arising out of this Agreement, your Account, any Note, our website and/or the activities or relationships that involve, lead to or result from any of the foregoing, including (except to the extent provided otherwise in the last sentence of Section 22(g) below) the validity or enforceability of this Arbitration Provision, any part thereof, or the entire Agreement. Claims are subject to arbitration regardless of whether they arise from contract, tort (intentional or otherwise), a constitution, statute, common law, principles of equity, or otherwise. Claims include matters arising as initial claims, counter-claims, cross-claims, third-party claims or otherwise. The scope of this Arbitration Provision is to be given the broadest possible interpretation that is enforceable.

(b) *Opt-Out*. You may opt out of this Arbitration Provision for all purposes by sending by regular mail an arbitration opt-out notice to LendingClub Corporation, 595 Market Street, Suite 200, San Francisco, CA 94105, Attention: Consumer Advocacy, that is received at the specified address within 30 days of the date of your electronic acceptance of the terms of this Agreement. The opt-out notice must clearly state that you are rejecting arbitration; identify the Agreement to which it applies by date; provide your name, address and social security number; and be signed by you. You may send the opt-out notice in any written form you see fit as long as it complies with the requirements above and is received at the specified address within the

specified time. No other methods can be used to opt out of this Arbitration Provision. If the opt-out notice is sent on your behalf by a third party, such third party must include evidence of his or her authority to submit the opt-out notice on your behalf.

(c) *Claim Submission*. If a Claim arises, our goal is to learn about and address your concerns and, if we are unable to do so to your satisfaction, to provide you with a neutral and cost-effective means of resolving the dispute quickly. You agree that before filing any claim in arbitration, you must submit Claims by sending an email to consumeradvocacy@lendingclub.com at any time, or by calling (888) 596-3159 from Monday - Friday 7:00 AM to 5:00 PM PT.

(d) *Administrator*. The party initiating arbitration shall do so with the Judicial Alternatives and Mediation Services ("*JAMS*"). The arbitration shall be conducted according to, and the location of the arbitration shall be determined in accordance with, the JAMS rules and policies, except to the extent the rules conflict with this Arbitration Provision or any countervailing law. In the case of a conflict between the rules and policies of the administrator and this Arbitration Provision, this Arbitration Provision shall control, subject to countervailing law, unless all parties to the arbitration consent to have the rules and policies of the administrator apply. If you have any questions concerning JAMS or would like to obtain a copy of the JAMS arbitration rules, you may call 1(800) 352-5267 or visit their web site at: www.jamsadr.com.

(e) *Costs*. If we elect arbitration, we shall pay all the administrator's filing costs and administrative fees (other than hearing fees). If you elect arbitration, filing costs and administrative fees (other than hearing fees) shall be paid in accordance with the rules of the administrator selected, or in accordance with countervailing law if contrary to the administrator's rules. We shall pay the administrator's hearing fees for one full day of arbitration hearings. Fees for hearings that exceed one day will be paid by the party requesting the hearing, unless the administrator's rules or applicable law require otherwise, or you request that we pay them and we agree to do so. Each party shall bear the expense of its own attorneys' fees, except as otherwise provided by law. If a statute gives you the right to recover any of these fees, these statutory rights shall apply in the arbitration notwithstanding anything to the contrary herein.

(f) *Appeals*. Within 30 days of a final award by the arbitrator, any party may appeal the award for reconsideration by a three-arbitrator panel selected according to the rules of the arbitrator administrator. In the event of such an appeal, any opposing party may cross-appeal within 30 days after notice of the appeal. The panel will reconsider *de novo* all aspects of the initial award that are appealed. Costs and conduct of any appeal shall be governed by this Arbitration Provision and the administrator's rules in the same way as the initial arbitration proceeding. Any award by the individual arbitrator that is not subject to appeal, and any panel award on appeal, shall be final and binding, except for any appeal right under the Federal Arbitration Act ("*FAA*"), and may be entered as a judgment in any court of competent jurisdiction.

(g) *Prohibition of Class and Representative Actions and Non-Individualized Relief*. We agree not to invoke our right to arbitrate an individual Claim you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court. NO ARBITRATION SHALL PROCEED ON A CLASS, REPRESENTATIVE OR COLLECTIVE BASIS (INCLUDING AS PRIVATE ATTORNEY GENERAL ON BEHALF OF OTHERS), EVEN IF THE CLAIM OR CLAIMS THAT ARE THE SUBJECT OF THE ARBITRATION HAD PREVIOUSLY BEEN ASSERTED (OR COULD HAVE BEEN ASSERTED) IN A COURT AS CLASS REPRESENTATIVE, OR COLLECTIVE ACTIONS IN A COURT. Unless consented to in writing by all parties to the arbitration, no party to the arbitration may join, consolidate, or otherwise bring claims for or on behalf of two or more individuals or unrelated corporate entities in the same arbitration unless those persons are parties to a single transaction. Unless consented to in writing by all parties to the arbitration, an award in arbitration shall determine the rights and obligations of the named

parties only, and only with respect to the claims in arbitration, and shall not (a) determine the rights, obligations or interests of anyone other than a named party, or resolve any Claim of anyone other than a named party; nor (b) make an award for the benefit of, or against, anyone other than a named party. No administrator or arbitrator shall have the power or authority to waive, modify or fail to enforce this Section 20(g), and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, shall be invalid and unenforceable. Any challenge to the validity of this Section 20(g) shall be determined exclusively by a court and not by the administrator or any arbitrator.

(h) *Law Governing Arbitration*. This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by and enforceable under the FAA. The arbitrator will apply substantive law consistent with the FAA and applicable statutes of limitations. The arbitrator may award damages or other types of relief, including injunctive relief, permitted by applicable substantive law, subject to the limitations set forth in this Arbitration Provision. The arbitrator will not be bound by judicial rules of procedure and evidence that would apply in a court. The arbitrator shall take steps to protect confidential information.

(i) *Other Terms*. This Arbitration Provision shall survive (i) suspension, termination, revocation, closure or amendments to this Agreement and the relationship of the parties; (ii) the bankruptcy or insolvency of any party or other person; and (iii) any transfer of any Note(s) or any amounts owed on such Note(s), to any other person or entity. If any portion of this Arbitration Provision other than Section 20(g) is deemed invalid or unenforceable, the remaining portions of this Arbitration Provision shall nevertheless remain valid and in force. If an arbitration is brought on a class, representative or collective basis, and the limitations on such proceedings in Section 20(g) are finally adjudicated pursuant to the last sentence of Section 20(g) to be unenforceable, then no arbitration shall be had. In no event shall any invalidation be deemed to authorize an arbitrator to determine Claims or make awards beyond those authorized in this Arbitration Provision.

THE PARTIES ACKNOWLEDGE THAT THEY HAVE A RIGHT TO LITIGATE CLAIMS THROUGH A COURT BEFORE A JUDGE, BUT WILL NOT HAVE THAT RIGHT IF ANY PARTY ELECTS ARBITRATION PURSUANT TO THIS ARBITRATION PROVISION. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO LITIGATE SUCH CLAIMS IN A COURT UPON ELECTION OF ARBITRATION BY ANY PARTY.

21. Miscellaneous.

(a) *Entire Agreement*. Except as otherwise expressly provided herein, this Agreement represents the entire agreement between you and LendingClub regarding the subject matter hereof and supersedes all prior or contemporaneous communications, promises and proposals, whether oral, written or electronic, between us.

(b) *Amendment and Modification*. This Agreement may only be amended, modified, or supplemented as set forth in Section 1 above or as otherwise set forth by an agreement in writing signed by each party hereto.

(c) *Survival*. The terms of this Agreement shall survive until the later of the maturity of all Notes purchased by you or the closure of your Account.

(d) *Third Party Beneficiaries*. The parties acknowledge that this Agreement is for the sole benefit of the parties hereto and there are no third-party beneficiaries to this Agreement.

(e) *Assignment*. You may not assign, transfer, sublicense or otherwise delegate your rights or responsibilities under this Agreement to any person without LendingClub's prior written consent. Any such assignment, transfer, sublicense or delegation in violation of this section shall be null and void.

(f) *Governing Law*. This Agreement shall be governed by the laws of the State of Delaware without regard to any choice or conflict of law provision or rule that would require or permit the application of the laws of any other jurisdiction.

(g) *Waiver*. Any waiver of a breach of any provision of this Agreement will not be a waiver of any subsequent breach. Failure or delay by either party to enforce any term or condition (whether in whole or in part) of this Agreement will not constitute a waiver of such term or condition.

(h) *Severability*. If at any time subsequent to the date hereof, any of the provisions of this Agreement shall be held by any court of competent jurisdiction to be invalid, illegal, void or unenforceable, such provision shall be of no force and effect, but such invalidity, illegality, or unenforceability of such provision shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

(i) *Headings*. The headings in this Agreement are for reference purposes only and shall not affect the interpretation of this Agreement in any way.

(j) *Further Assurances*. The parties agree to execute and deliver such additional documents and information as may be reasonably required in order to effectuate the purposes of this Agreement.

EXHIBIT 10.12

MASTER LOAN PURCHASE AGREEMENT

Dated as of _____, 20_____

by and between

LENDINGCLUB CORPORATION,
as Seller

and

[_____],
as Purchaser

THIS MASTER LOAN PURCHASE AGREEMENT, dated as of _____ __, 20_____ (the "Effective Date"), by and between LendingClub Corporation, a Delaware corporation, as seller ("Seller"), and _____, a [_____], as purchaser ("Purchaser").

RECITALS

WHEREAS, from time to time, Seller purchases, without recourse, loans from banking partners; and

WHEREAS, Seller wishes to sell to Purchaser, and Purchaser wishes to buy from Seller, from time to time, certain of these loans, on a whole loan basis, and Seller and Purchaser desire to set forth the terms and conditions under which Purchaser will purchase such loans.

NOW, THEREFORE, in consideration of the foregoing and of other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, Seller and Purchaser hereby agree as follows:

ARTICLE 1.
DEFINITIONS

1.1 Defined Terms.

(a) As used in this Agreement, the following words shall have the meanings set forth below:

"Addendum" means, with respect to any Purchased Loan, the addendum or addenda attached to this Agreement and applicable to such Purchased Loans. For the avoidance of doubt, each Addendum will apply to a specific Loan Product (e.g., "Prime," "Super Prime," "Near Prime," "Small Business", "Multi-Draw Line of Credit Product" and such additional products as may be added from time to time), the product-specific terms and conditions of which are outlined on each Addendum.

"Affiliate" means, with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Persons means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement" means this Master Loan Purchase Agreement, including all exhibits, addenda and schedules attached hereto or delivered in connection herewith, as such agreement may be amended, supplemented and modified from time to time.

"AML-BSA Laws" means, collectively, (i) the Bank Secrecy Act of 1970, as supplemented by the USA Patriot Act, and any rules and regulations promulgated thereunder; (ii) the Office of Foreign Assets Control's ("OFAC") rules and regulations regarding the blocking of assets and the prohibition of transactions involving Persons or countries designated by OFAC; and (iii) any other Applicable Laws relating to customer identification, anti-money laundering or preventing the financing of terrorism and other forms of illegal activity, each as amended.

"Applicable Law" and "Applicable Laws" mean all federal, state and local laws, statutes, rules, regulations and orders, and all requirements of any Regulatory Authority having jurisdiction over Seller, Bank or Purchaser, in each case to the extent applicable to the Purchased Loans (including without limitation the underwriting, origination, servicing, ownership, holding, acquisition and sale of such Purchased Loan), excluding any subsequent interpretations of laws, statutes, rules, regulations and orders by a Regulatory Authority after the Purchase Date of a Loan, if applicable.

"Article 7 Repurchase Price" has the meaning set forth in Section 7.3.

"Bank" means a bank, savings association, or credit union chartered in the United States, or a foreign depository institution acting through a U.S. bank branch, regulated by and subject to the authority of a Regulatory Authority, from which Seller purchases loans, which Bank is the initial issuer of Loans.

"Bank Program" means Seller's program for acquiring Loans from Bank.

"Borrower" means, with respect to each Loan, each Person or other obligor (including any co-borrower, co-maker, co-signor or guarantor) who is obligated under the terms of such Loan.

"Borrower Information" means any personally identifiable information or records in any form (oral, written, graphic, electronic, machine-readable, or otherwise) relating to a Borrower, including, but not limited to: a Borrower's social security number, name, address, telephone number, account number, transactional account history or account status; the fact that the Borrower has a relationship with Purchaser or Seller; certain information from a consumer report; and any other personally identifiable information.

"Business Day" means any day other than: (a) a Saturday or Sunday; (b) a legal or federal holiday in the United States; and (c) a day on which banking and savings and loan institutions in San Francisco, California, New York, New York, or the State of Utah are required or authorized by law or Regulatory Authority to be closed for business.

"Charged Off Loan" has the meaning assigned to such term in the Servicing Agreement.

"Claims Notice" has the meaning set forth in Section 5.2.

"Confidential Information" has the meaning set forth in Section 6.1(a).

"Credit Criteria" means, with respect to any Loan, the applicable credit criteria with respect to each Loan Product as defined in the related Addendum, as such criteria may be modified by Seller

from time to time in its sole discretion and upon such notice as required by the terms of the related Addendum.

"Effective Date" has the meaning set forth in the introductory paragraph.

"Eligible Loan" means a Loan which, as of the related Purchase Date, has been originated by Bank and acquired by Seller from Bank.

"Event of Default" has the meaning set forth in Section 8.2.

"Expiration Date" has the meaning set forth in Section 2.2(c).

"GLB Act" means Title V of the Gramm-Leach-Bliley Act of 1999 and implementing regulations.

"ID Theft Report" has the meaning set forth in Section 7.1.

"Indemnified Party" has the meaning set forth in Section 5.3.

"Indemnified Purchaser Party" has the meaning set forth in Section 5.1(a).

"Indemnified Seller Party" has the meaning set forth in Section 5.2(a).

"Information Security Program" means all necessary measures, including the establishment and maintenance of appropriate policies, procedures and technical, physical, and administrative safeguards, adopted and maintained to (i) ensure the security and confidentiality of Borrower Information; (ii) protect against any anticipated threats or hazards to the security or integrity of the Borrower Information; (iii) protect against unauthorized access to or use of the Borrower Information; (iv) fully comply with the applicable provisions of the Privacy Requirements; and (v) ensure appropriate disposal of Borrower Information.

"Initial Term" has the meaning set forth in Section 8.1(b).

"Insolvent" means the failure to pay debts in the ordinary course of business or the inability to pay debts as they come due.

"Launch Date" means a date mutually agreed upon by each Party on which Purchaser may commence purchasing Loans described in the related Addendum, in accordance with the terms of Article 2.

"LendingClub" means LendingClub Corporation.

"Loan" has the meaning ascribed to such term in the related Addendum.

"Loan Documents" means, with respect to any Loan, the applicable loan documents listed on the related Addendum, as such list may be modified by Seller from time to time in its sole discretion upon written notice to Purchaser.

"Loan Document Package" means, with respect to any Loan, all of the promissory notes, loan agreements and other documents executed and delivered in connection with the origination, funding, acquisition and ownership of such Loan, including, without limitation, each of the loan documents listed on the related Addendum, as such list may be modified from time to time in the sole discretion of Seller upon written notice to Purchaser.

"Loan Product" has the meaning set forth in Section 2.1.

"Loan Program" has the meaning set forth in Section 2.1.

"Losses" has the meaning set forth in Section 5.1(a).

"Material Adverse Change" means, with respect to any Person, any material adverse change in the business, financial condition, operations, or properties of such Person that would substantially prevent or impair the Person's ability to perform any of its obligations under this Agreement (which impairment cannot be timely cured, to the extent a cure period is applicable).

"Material Adverse Effect" means, (a) with respect to a Party, (i) a Material Adverse Change with respect to such Party or any of its Affiliates taken as a whole; or (ii) a material adverse effect upon the legality, validity, binding effect or enforceability of this Agreement against such Party, or (b) with respect to a Purchased Loan, a material adverse effect upon the legality, validity, binding effect, collectability or enforceability of such Purchased Loan.

"Maximum Purchase Amount" means the maximum aggregate initial principal balance of Eligible Loans with respect to a specific Loan Product or Loan Program that Purchaser will actually purchase in any given calendar month.

"Multi-Party Agreement" means any agreement entered into by Seller, Purchaser and one or more third parties providing for the financing or other similar purpose with respect to the Purchased Loans and this Agreement.

"Non-Conforming Loan" means a Purchased Loan that is determined (a) to have been issued or sold in material breach of any representation, warranty or covenant contained in Section 4.2, (b) to have failed to conform to the specifications of the related Purchase Instructions on the Purchase Date or (c) to be subject to a pricing or other technological error during issuance or underwriting such that on the Purchase Date (i) such Purchased Loan was incorrectly identified as conforming to the relevant specifications of the related Purchase Instructions or (ii) such Purchased Loan, if correctly issued or underwritten, would have failed to conform to the specifications of the related Purchase Instructions.

"Non-Conforming Loan Notice" shall have the meaning set forth in Section 2.4.

"Non-Offered Loan" means a prospective Loan that was initially considered an Eligible Loan and offered to Purchaser pursuant to Section 2.2, but which Loan subsequently fails to issue because (a) the prospective Borrower withdraws or abandons the request for such Loan or otherwise fails to complete the underwriting or review process to obtain such Loan, (b) after further review

or verification of the prospective Loan by Seller, a determination is made that such Loan is not an Eligible Loan or (c) such Loan is otherwise rejected for purchase by Seller from Bank.

"Origination Date" means, with respect to a Loan, the date that Loan was issued by Bank.

"Party" means either Seller or Purchaser, and "Parties" means Seller and Purchaser.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint-stock company, trust, unincorporated organization or other entity, including any government agency, commission, board, department, bureau or instrumentality.

"Privacy Requirements" means (i) Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. 6801 *et seq.;* (ii) federal regulations implementing such act and codified at 12 CFR Parts 40, 216, 332, and 573 and 16 C.F.R. Part 313; (iii) Interagency Guidelines Establishing Standards For Safeguarding Obligor Information and codified at 12 C.F.R. Parts 30, 208, 211, 225, 263, 308, 364, 568, and 570, and 16 C.F.R. Part 314; and (iv) other applicable federal, state and local laws, rules, regulations, and orders relating to the privacy and security of Borrower Information including, but not limited to, information security requirements promulgated by the Massachusetts Office of Consumer Affairs and Business Regulation and codified at 201 C.M.R. Part 17.00.

"Purchase Commitment" means the selection of prospective Eligible Loans by (i) Purchaser through the Purchaser Online Account or (ii) Seller, acting upon its delegated non-discretionary authority to make Purchase Commitments on behalf of Purchaser (if such authority is delegated to Seller pursuant to the terms of the applicable Addendum), in each case which selection shall constitute an irrevocable commitment by Purchaser to purchase and a commitment by Seller to sell such prospective Eligible Loans (excluding any prospective Eligible Loan that becomes a Non-Offered Loan) pursuant to Section 2.2.

"Purchase Date" means, with respect to any Purchased Loan, the date that such Purchased Loan is purchased by Purchaser under this Agreement, which date shall fall after the Origination Date.

"Purchase Instructions" means the purchase instructions in the form set forth as Exhibit A-1 and/or Exhibit A-2 to this Agreement.

"Purchase Limitation" has the meaning set forth in Section 2.2(d).

"Purchase Price" has the meaning set forth in Section 2.2(b).

"Purchased Loan" means any Eligible Loan that is purchased by Purchaser under the terms of this Agreement, which shall be identified on the respective Purchased Loan Confirmation.

"Purchased Loan Collateral" has the meaning set forth in Section 3.2(a).

"Purchased Loan Confirmation" means with respect to each prospective Eligible Loan subject to purchase, either or both of an email notification by Seller to Purchaser or posting by Seller to the Purchaser Online Account pursuant to which Seller confirms to Purchaser that such Eligible

Loan has been issued and then purchased by Purchaser as a Purchased Loan hereunder on the respective Purchase Date.

"Purchaser" has the meaning set forth in the introductory paragraph.

"Purchaser Activity Status Report" means information provided by Seller from time to time through the Purchaser Online Account or email to Purchaser that sets forth each prospective Eligible Loan for which Purchaser has made a Purchase Commitment, each such prospective Eligible Loan that has become a Non-Offered Loan, and each such prospective Eligible Loan for which a Purchased Loan Confirmation was issued.

"Purchaser Claims Notice" has the meaning set forth in Section 5.1(c).

"Purchaser Online Account" means the account(s) established by Purchaser on Seller's platform which provides Purchaser with online access to the platform and in which Seller posts activity relating to the commitment and purchase by Purchaser of Loans hereunder.

"Recipient" has the meaning set forth in Section 6.1(a).

"Records" means, with respect to any Purchased Loan, any loan applications, change-of-terms notices, credit files, servicing and other records, credit bureau reports or other documentation or information relating to or regarding such Loan (including computer tapes, magnetic files, and information in any other format), but excluding any underlying proprietary information of Seller of a type not specifically associated with such Purchased Loan.

"Regulatory Authority" means any federal, state, county, municipal or local agency or regulatory authority, agency, board, body, commission, instrumentality, court, tribunal or quasi-governmental authority having jurisdiction over a Party, any Loan or any Borrower.

"Renewal Term" has the meaning set forth in Section 8.1(b).

"Seller" has the meaning set forth in the introductory paragraph.

"Seller Claims Notice" has the meaning set forth in Section 5.2(a).

"Servicer" means LendingClub, or its successor in interest or permitted assigns, in its capacity as the servicer under the Servicing Agreement, or any successor to Servicer under the Servicing Agreement as provided therein.

"Servicing Agreement" means that certain Master Loan Servicing Agreement of even date herewith, pursuant to which LendingClub will act as the initial servicer of the Purchased Loans for Purchaser, as such agreement may be amended, supplemented and modified from time to time.

"Term" has the meaning set forth in Section 8.1(b).

"UCC" means the Uniform Commercial Code as in effect from time to time in each State as applicable to the respective actions of Seller relating to the creation, perfection, priority, validity and/or enforcement of the security interest granted by Seller to Purchaser hereunder.

"Whole Loan Transfer" means any sale or transfer by the Purchaser of some or all of the Purchased Loans, other than sales of Charged Off Loans pursuant to the Servicing Agreement.

(b) Certain words used in this Agreement shall have the meanings set forth in an applicable executed Addendum, and such defined terms are hereby incorporated into this Section 1.1, as applicable.

1.2 Rules of Construction.

(a) As used in this Agreement: (i) all references to the masculine gender shall include the feminine gender (and vice versa); (ii) all references to "include," "includes," or "including" shall be deemed to be followed by the words "without limitation"; (iii) references to any law or regulation refer to that law or regulation as amended from time to time and include any successor law or regulation; (iv) references to "dollars" or "$" shall be to United States dollars unless otherwise specified herein; and (v) unless otherwise specified, all references to days, months or years shall be deemed to be preceded by the word "calendar"; (vi) all references to "quarter" shall be deemed to mean calendar quarter.

(b) The fact that any Party provides approval or consent shall not mean or otherwise be construed to mean that: (i) either Party has performed any due diligence with respect to the requested or required approval or consent, as applicable; (ii) either Party agrees that the item or information for which the other Party seeks approval or consent complies with any Applicable Law; (iii) either Party has assumed the other Party's obligations to comply with all Applicable Law arising from or related to any requested or required approval or consent; or (iv) except as otherwise expressly set forth in such approval or consent, either Party's approval or consent impairs in any way the other Party's rights or remedies under the Agreement, including indemnification rights for any failure to comply with all Applicable Law.

ARTICLE 2.
SELLER COMMITMENT AND PURCHASE OF LOANS

2.1 Loan Products, Loan Programs, Purchaser Online Accounts and Addenda.

Seller facilitates the issuance of several Loan products, and investors have the opportunity to invest in or purchase Loans satisfying the Credit Criteria applicable to each such product (each, a "Loan Product"). Certain Loan Products involve multiple programs (e.g., the Scale Program and the Select Program, with respect to the "Prime" Loan Product) (each, a "Loan Program"). On or prior to a Launch Date, Purchaser will (i) establish a Purchaser Online Account with Seller for each applicable Loan Product (or each applicable Loan Program, where applicable) and (ii) execute the related Addendum for each Loan Product in which Purchaser will or intends to participate. A Purchaser Online Account may be used by Purchaser to purchase and hold Loans (a) meeting only one of the Credit Criteria described in the related Addendum (i.e., Loans sold pursuant to a particular

Loan Product) and (b) purchased under only one Loan Program, where applicable. By way of example only, if Purchaser participates in each of the "Prime" Loan Product/Scale Program, the "Prime" Loan Product/Select Program, and the "Near Prime" Loan Product, Purchaser shall open three Purchaser Online Accounts and execute the two applicable Addenda.

2.2 Purchase Procedures for Offer, Commitment and Funding of Purchased Loans.

(a) Purchase Commitments. From time to time, Purchaser may make a Purchase Commitment (subject to any applicable Purchase Limitation) for each Loan Product in which it participates (i.e., each Loan Product for which Purchaser has executed an Addendum), or, where Purchaser participates in multiple Loan Programs with respect to a Loan Product, for each Loan Program in which it participates. Each Purchase Commitment shall be made by (i) Purchaser, in its sole discretion, or (ii) Seller, acting upon its delegated non-discretionary authority to make Purchase Commitments on behalf of Purchaser (if such authority is delegated to Seller pursuant to the terms of the applicable Addendum). Seller commits to offer Purchaser, and Purchaser hereby commits to purchase Eligible Loans in respect of which any Purchase Commitment is made in accordance with the terms of the immediately preceding sentence; provided, however, that any such prospective Eligible Loan that becomes a Non-Offered Loan shall be released and removed from any Purchase Commitment. Purchaser will be irrevocably obligated to purchase each such Eligible Loan that does not become a Non-Offered Loan. Seller will provide a Purchaser Activity Status Report listing all the Eligible Loans that are subject to a Purchase Commitment. Prior to making any Purchase Commitment, Purchaser will have an amount of funds available in the applicable Purchaser Online Account equal to such Purchase Commitment plus the aggregate amount of all outstanding applicable Purchase Commitments, unless otherwise agreed between the Parties in writing. Unless otherwise agreed to in Seller's sole discretion, Purchaser shall only be able to execute Purchase Commitments to the extent of immediately available funds in the applicable Purchaser Online Account. Any determination as to whether to make a Purchase Commitment for any Eligible Loan shall be deemed to be in Purchaser's sole discretion and at Purchaser's own risk that information supplied by any Borrower may be incorrect, and Seller makes no representation as to the correctness of any information provided by any Borrower with respect to any Eligible Loan.

(b) Eligible Loan Status and Funding. With respect to each Eligible Loan to which Purchaser is committed, Seller shall provide prompt notice to Purchaser of any change to the ongoing status of the prospective Eligible Loan, including whether such Loan has become a Non-Offered Loan or such Loan is ready for purchase by Purchaser. Seller will debit the applicable Purchaser Online Account for the full purchase price of each Purchased Loan as indicated through such Purchaser Online Account (the "Purchase Price"). Purchaser will not withdraw funds from any Purchaser Online Account if, after such withdrawal, immediately available funds in such Purchaser Online Account would be less than the dollar amount necessary to meet Purchaser's aggregate outstanding applicable Purchase Commitments as of the applicable Purchase Date, unless otherwise agreed to by Seller in Seller's sole discretion.

(c) Expiration of Purchase Commitments. The Purchase Commitment for each Eligible Loan shall expire thirty (30) days following the date on which the Purchase Commitment for such Eligible Loan was made (the "Expiration Date"). If the Purchase Date for such Eligible

Loan has not occurred on or before such Expiration Date, Purchaser may withdraw any funds from the applicable Purchaser Online Account that were deposited, wired or otherwise made available to Seller in respect of such Purchase Commitment subject to the terms of this Section 2.2.

(d) Purchase Limitation. Seller may impose a limit on the aggregate amount of Purchase Commitments that Purchaser may make in a given month with respect to one or more Loan Products or Loan Programs (each, a "Purchase Limitation"). If Seller wishes to impose such a limit or decrease an existing limit, Seller will provide Purchaser thirty (30) days' prior written notice, informing Purchaser of the total aggregate dollar limit of Purchase Commitments that Seller will accept. The Purchase Limitation will go into effect on the first day of the month immediately following the thirtieth day following the notice, and will apply for each month going forward until Seller provides notice that the Purchase Limitation has been modified or lifted. If a Purchase Limitation is in place, Purchaser will not be permitted to make Purchase Commitments in excess of such Purchase Limitation without prior approval of Seller, which approval may be withheld in the sole and absolute discretion of Seller. For the avoidance of doubt, a breach of this Section 2.2(d) by Purchaser shall constitute a material breach of this Agreement.

2.3 Conditions Precedent to Purchases.

Purchaser's obligation to purchase each Eligible Loan in any Purchase Commitment shall be subject to all of the representations, warranties and covenants of Seller contained in this Agreement being true, correct and complied with in all material respects as of the applicable Purchase Date. Purchaser's right to purchase each Eligible Loan hereunder shall be subject to all of the representations, warranties and covenants of Purchaser contained in this Agreement being true, correct and complied with in all material respects as of the applicable Purchase Date, and (unless otherwise agreed between the Parties in writing) shall additionally be conditioned upon there being sufficient available funds in the applicable Purchaser Online Account to pay the Purchase Price of (a) such Eligible Loan and (b) all Eligible Loans that are the subject of an outstanding Purchase Commitment.

2.4 Payment of Purchase Price and Confirmation.

On the Purchase Date for any Loan, as indicated in the applicable Purchaser Online Account, Seller hereby sells, transfers, assigns and otherwise conveys to Purchaser all of Seller's right, title and interest in, to and under such Loan, and Purchaser hereby purchases and shall become, for all purposes, the owner of such Loan as of such Purchase Date, in each case upon identification of such Loan in the related Purchased Loan Confirmation; provided, however, that distribution of amounts received from the Borrower of such Loan shall be subject to retention by Servicer of any interest and fees that accrued on such Loan prior to the respective Purchase Date. The Parties acknowledge and agree that the Purchase Price for each Eligible Loan reflects an arms-length negotiation, resolution and transaction. If, subsequent to a Purchase Date, Seller discovers that any Purchased Loans were Non-Conforming Loans and Seller provides a notice of such non-conformance to Purchaser (a "Non-Conforming Loan Notice"), within five (5) Business Days of its delivery of a Non-Conforming Loan Notice, Seller can without any consent from Purchaser, but shall not be obligated to, repurchase the related Non-Conforming Loan by depositing an amount equal to the then-outstanding principal balance of such Non-Conforming Loan into the related Purchaser Online

Account, whereupon all right, title and interest of Purchaser in, to and under such Non-Conforming Loan shall revert to Seller, and Purchaser shall take all steps reasonably requested by Seller to evidence such repurchase. For the avoidance of doubt, except as contemplated by this Section 2.4, Section 5.1, Section 7.1 or Section 7.2, Seller shall not be obligated to purchase any Non-Conforming Loan. Nothing in this Section 2.4 is intended to or shall limit Purchaser's rights under Article 7.

2.5 Modification of Loan Document Package.

If any of the documents included in a Loan Document Package are modified, amended, or replaced by Seller in a manner that alters the economic terms of the Loan other than as contemplated by the Loan Documents prior to the Purchase Date, then Seller shall submit notice of such modifications, amendments, or replacement documents to Purchaser, together with a summary of the changes made, at least four (4) Business Days prior to such Purchase Date (or such other number of days as may be agreed to by Purchaser). Purchaser shall not be obligated to purchase any Eligible Loan if Purchaser does not agree to such modifications, amendments or replacement documents for such Eligible Loan; provided, however that Purchaser shall provide such agreement (or confirm its objection) within one (1) Business Day of Purchaser's receipt of such notice from Seller.

2.6 Limitation on Purchase Obligation.

Purchaser shall have no obligation to purchase any Eligible Loan at any time after the termination of this Agreement (except those Eligible Loans for which outstanding Purchase Commitments were made prior to the termination of this Agreement).

2.7 Control of Purchased Loan.

(a) In connection with the sale and conveyance of the Purchased Loans, Seller agrees to indicate or cause to be indicated in its books, records and computer files that the Purchased Loans have been sold to Purchaser.

(b) During the term of this Agreement, and for so long as Seller is the Servicer of the Purchased Loans, Seller shall maintain accurate Records with respect to such Purchased Loans in accordance with the terms of the Servicing Agreement.

(c) The Parties acknowledge that Seller, in its capacity as Servicer, will provide custody and other services with respect to each Purchased Loan in accordance with the terms of the Servicing Agreement.

ARTICLE 3.
TRUE SALE; GRANT OF SECURITY INTEREST; ENFORCEMENT

3.1 True Sale.

Each of Seller and Purchaser agree that the transactions contemplated hereby are intended to be and shall constitute sales of the Purchased Loans transferred pursuant to Article 2 above, and are not intended to be financings or loans by Purchaser to Seller. The Parties shall treat such transactions as sales for tax, accounting and all other applicable purposes. The sale of each Purchased

Loan pursuant to Article 2 above transfers to Purchaser all of Seller's right, title and interest in and to such Purchased Loan, and Seller will not retain any residual rights with respect to any Purchased Loan. Notwithstanding the two immediately preceding sentences, Seller is concurrently acquiring the rights to service the Purchased Loans under the Servicing Agreement, unless otherwise specified in writing by the Parties. Purchaser agrees not to contact, solicit or market to any Borrowers for any purpose.

3.2 Grant of Security Interest.

(a) As outlined below, Purchaser shall file one or more UCC financing statements on form UCC-1 with respect to the sale of the Purchased Loans consistent with Section 9-109(a)(3) of the UCC, naming Purchaser as secured party/buyer and Seller as debtor/seller, and identifying the Purchased Loan Collateral as collateral. Such UCC financing statements will serve as dual-purpose financing statements evidencing both the sale of the Purchased Loans and the perfection of the security interest granted in the Purchased Loan Collateral. Notwithstanding the intent of the Parties, in the event that the transactions contemplated hereby are construed to be financings by Purchaser to Seller or the Purchased Loans are determined or held to be property of Seller, then: (i) Seller hereby grants to Purchaser a present and continuing security interest in and to, whether now existing or hereafter created, (A) all of Seller's rights, title and interest in the Purchased Loans held in the name of Purchaser, (B) all of the related Loan Document Packages for such Purchased Loans, and (C) all Proceeds (as defined in the Servicing Agreement) and rights to receive Proceeds due to Purchaser pursuant to the terms of the Servicing Agreement (collectively, the "Purchased Loan Collateral"); (ii) this Agreement shall also be deemed to be a security agreement within the meaning of Article or Division 9 of the UCC; (iii) the transfers of the Purchased Loans provided for herein shall be deemed to be a grant by Seller to Purchaser of a first priority lien upon and security interest in all of Seller's right, title and interest in and to the Purchased Loan Collateral; (iv) the possession by Purchaser (or Seller, in its capacity as Servicer, as custodian on behalf of Purchaser) of the Purchased Loans and related Loan Document Packages and such other items of property that constitute instruments, chattel paper, money, or negotiable documents shall be deemed to be "possession by the secured party" for purposes of perfecting the lien or security interest pursuant to the UCC, including Section 9-313 of the UCC; and (v) notifications to Persons holding such property and acknowledgments, receipts or confirmations from Persons holding such property, shall be deemed notifications to, or acknowledgments, receipts or confirmations from, financial intermediaries, bailees or agents (as applicable) of Purchaser for the purpose of perfecting such lien or security interest under the UCC. Any assignment of the interests of Purchaser in the Purchased Loans pursuant to any provision hereof shall also be deemed to be an assignment of any lien or security interest created hereby in the Purchased Loan Collateral.

(b) Seller shall not create or permit any security interest in Purchased Loan Collateral, except in favor of Purchaser or as may be directed by Purchaser and, if necessary, shall direct the filing of any amendments or termination statements on form UCC-3 or modify any previously executed loan or security agreement as is necessary to eliminate any security interest granted in the Purchased Loan Collateral, including without limitation any security interest in such Purchased Loan Collateral as proceeds or as after-acquired property.

(c) To the extent consistent with this Agreement, Seller and Purchaser shall take such actions as may be deemed reasonably necessary or appropriate such that, if this Agreement were deemed to create a lien upon or security interest in the Purchased Loan Collateral and all such reasonably necessary or appropriate actions had been taken, such lien or security interest would be deemed to be a perfected security interest of first priority under Applicable Law and will be maintained as such throughout the term of this Agreement, including, without limitation, the execution and delivery by Seller to Purchaser of all assignments, security agreements, financing statements and other documents Purchaser reasonably requests, in form and substance reasonably satisfactory to Purchaser.

3.3 Purchaser Rights.

Seller acknowledges that because it has sold or will sell Purchased Loans to Purchaser, Purchaser shall have all the rights associated with such Purchased Loans upon such sale, including the right to take any action against any Borrower for non-payment subject to the provisions of the Servicing Agreement and in accordance with Applicable Law.

3.4 Servicing Arrangements.

Concurrently with its entering into this Agreement, Purchaser has entered into the Servicing Agreement under which LendingClub will act as the initial Servicer of the Purchased Loans for Purchaser.

ARTICLE 4.
REPRESENTATION, WARRANTIES AND COVENANTS

4.1 Seller Representations, Warranties and Covenants.

Seller hereby represents and warrants to Purchaser as of the Effective Date and as of each Purchase Date (unless such representation or warranty is explicitly made as of a different date or dates, in which case Seller represents and warrants to Purchaser on such date or dates), or covenants, as applicable, that:

(a) Seller is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and is in good standing with every Regulatory Authority having jurisdiction over its activities, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect on Seller or the Purchased Loans.

(b) Seller has all requisite corporate power and authority to own its properties, carry on its business as and where now being conducted and execute and deliver this Agreement, perform all of its obligations hereunder, and to carry out the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller and is a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or other similar laws affecting creditors' rights generally or general equitable principles (whether considered in a proceeding in equity or at law).

(c) Seller has all qualifications, regulatory permissions and/or licenses necessary, and no consent, approval, authorization, registration, filing or order of any court or governmental or regulatory agency or body is required, for the execution, delivery and performance by Seller of, or compliance by Seller with, this Agreement, or the consummation of the transactions contemplated hereby (including the acquisition of the Purchased Loans by Seller from Bank and the sale of the Purchased Loans by Seller to Purchaser), except where the failure to do so would not reasonably be expected to have a Material Adverse Effect on Seller or the Purchased Loans.

(d) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated by this Agreement, nor compliance with its terms and conditions, will result in the creation or imposition of any lien, charge or encumbrance on the Purchased Loan Collateral except in favor of Purchaser or as may be directed by Purchaser.

(e) As of the Purchase Date for any Purchased Loan, Seller will not be rendered Insolvent by such sale. Seller is not selling any Purchased Loan with any intent to hinder, delay or defraud any of its creditors. The consideration received by Seller upon the sale of the Purchased Loans constitutes reasonably equivalent value (as such term is used in Section 548 of the Bankruptcy Code) and fair consideration (as such term is defined and used in the New York Debtor and Creditor Law Sections 272-279) for such Purchased Loans.

(f) The consummation of the transactions contemplated by this Agreement, the execution and delivery of this Agreement and compliance with the terms of this Agreement do not materially conflict with, result in a material breach of or constitute a material default under, and are not prohibited by, Seller's charter or other agreement relating to its organization or any mortgage, indenture, deed of trust, loan or credit agreement or other agreement or instrument to which it is a party that would have a Material Adverse Effect on Seller or the Purchased Loans.

(g) There is no litigation or action at law or in equity pending or, to Seller's knowledge, threatened against Seller in writing and no proceeding or investigation of any kind is pending or, to Seller's knowledge, threatened in writing, by any federal, state or local governmental or administrative body against Seller that would reasonably be expected to have a Material Adverse Effect on Seller or on its ability to consummate the transactions contemplated hereby or on the Purchased Loans.

(h) Seller has provided or made available to Purchaser or its advisor(s) true and accurate copies of the form Loan Documents used by Bank with respect to each Purchased Loan as of the Effective Date or the applicable Purchase Date.

(i) As of the Effective Date, the chief executive office and the principal place of business of Seller is 595 Market St. #200, San Francisco, California, 94105, USA, the exact legal name of Seller is LendingClub Corporation and Seller is a corporation incorporated solely under the laws of the State of Delaware. Seller shall provide written notification to Purchaser at least ten (10) Business Days prior to any changes to the chief executive office, the principal place of business, the legal name, the type of organization or the jurisdiction of organization of Seller.

(j) Seller is not required to register as an "investment company" or a company controlled by an "investment company" under the Investment Company Act of 1940, as amended.

(k) The execution, delivery and performance of this Agreement by Seller do not require compliance with any "bulk sales" laws or similar statutory provisions by Seller.

(l) Seller is in compliance in all material respects with all Applicable Law, including all AML-BSA Laws.

4.2 Purchased Loan Representations, Warranties and Covenants.

Seller hereby represents and warrants to Purchaser on each Purchase Date, with respect to the Purchased Loans acquired on such date (unless such representation or warranty is explicitly made as of a different date or dates, in which case Seller represents and warrants to Purchaser on such date or dates), or covenants, as applicable, that:

(a) Seller is the sole legal, beneficial and equitable owner of such Purchased Loan and has good and marketable title thereto, and has the right to assign, sell and transfer such Purchased Loan to Purchaser free and clear of any lien, pledge, charge, claim, security interest or other encumbrance (other than in favor of Purchaser or as directed by Purchaser), and Seller has not sold, assigned or otherwise transferred any right or interest in or to such Purchased Loan and has not pledged such Purchased Loan as collateral for any debt or other purpose, except as contemplated under this Agreement.

(b) Such Purchased Loan and the transfer of such Purchased Loan to Purchaser on the Purchase Date pursuant to this Agreement complies with Applicable Laws in all material respects, including, without limitation, (i) the Federal Truth in Lending Act and Regulation Z; (ii) the Equal Credit Opportunity Act and Regulation B; (iii) the Federal Trade Commission Act; (iv) all applicable state and federal securities laws; (v) Title V of the Gramm-Leach-Bliley Act of 1999, as amended, and any implementing regulations; (vi) the Fair Credit Reporting Act; (vii) the Electronic Signatures in Global and National Commerce Act and any other applicable laws relating to the electronic execution of documents and instruments; (viii) the Electronic Funds Transfer Act; and (ix) all amendments to and rules and regulations promulgated under the foregoing. Seller has not done anything to prevent or impair such Purchased Loan from being valid, binding and enforceable against the applicable Borrower.

(c) To the actual knowledge of Seller, (i) the applicable Borrower has not asserted any defense, counter claim, offset or dispute and (ii) such Purchased Loan was and is free of any defense, offset, counterclaim or recoupment that could be asserted by the applicable Borrower.

(d) The Purchased Loan is not in default and is not delinquent in respect of any payment due thereunder.

(e) Each of the applicable Loan Documents is complete in all material respects as of the applicable Purchase Date and, if applicable, such Loan Documents include all amendments, supplements and modifications thereto as of such date. The terms, covenants and conditions of

such Purchased Loan have not been waived, altered, impaired, modified or amended in any material respect, except as previously disclosed in a written document to Purchaser or as otherwise allowed under the Loan Documents, which waiver, alteration, impairment, modification or amendment has been included in the related Loan Document Package.

(f) (i) The loan grade, term and interest rate assigned by Seller, (ii) the loan identification number and initial principal balance on the date of issuance by Bank and (iii) the current principal balance (if different from the initial principal balance) of each Purchased Loan are reported correctly in all material respects by Seller to Purchaser through the Purchaser Online Account or otherwise through Seller's online platform; provided, that Seller does not make any representation or warranty as to the correctness of any information provided by Borrower.

(g) The Purchased Loan is not a graduated payment loan, and does not have a shared appreciation or other contingent interest feature.

(h) The terms of such Purchased Loan require the applicable Borrower to make periodic monthly payments which (if made) will fully amortize the amount financed over its term to maturity.

(i) Based upon the information provided by the Borrower and the credit bureau, the Purchased Loan satisfies the applicable Credit Criteria as of the date of the Borrower's application for its Purchased Loan.

(j) As of the applicable Origination Date, the Purchased Loan is denominated in U.S. dollars and the address provided by the related Borrower and the related bank account used for payments via Automated Clearing House transfers on such Purchased Loan, if applicable, are each located in the United States or a U.S. territory.

(k) The Purchased Loan was originated by a Bank and acquired by Seller from such Bank not less than two Business Days after its Origination Date in accordance with the terms of the related loan sale agreement with such Bank.

(l) As of the applicable Origination Date, the Bank funds disbursed by Bank to the Borrower in connection with the origination of the Purchased Loan were net of the applicable origination fees, which origination fees have been paid to or retained by the Bank.

(m) Each Purchased Loan specified on the list of Purchased Loans is readily identifiable by its respective loan identification number indicated therein and no other loan sold or owned by, or in possession or control of Seller, has the same loan identification number as such Purchased Loan.

(n) No notices to, or consents or approvals from, the applicable Borrower or any other Person are required by the terms of such Loan or otherwise for the consummation of the sale of such Purchased Loan from Bank to Seller under the Bank purchase documents or Seller to Purchaser under this Agreement, or if such notice, consent or approval is required, it has been

obtained, except in each case as would not be expected to have a Material Adverse Effect on such Purchased Loan.

(o) Assuming the competency and capacity of the Borrower, as of the Origination Date, the Purchased Loan constitutes a valid and binding obligation of the Borrower, enforceable in accordance with its terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally or to general equitable principles (whether considered in a proceeding in equity or at law).

(p) The Purchased Loan constitutes a "payment intangible" within the meaning of Article or Division 9 of the UCC.

(q) The Purchased Loan has not been originated in any jurisdiction in which, and is not subject to the Applicable Laws of any jurisdiction under which, the sale, transfer, assignment, setting over, conveyance or pledge of such Loan would be unlawful or void. Neither Seller nor any of its Affiliates has entered into any agreement with the related Borrower that prohibits, restricts or conditions the assignment of such Purchased Loan.

(r) Seller has not advanced funds, or induced, solicited or knowingly received any advance of funds from a party other than the applicable Borrower, directly or indirectly, for the payment of any amount required to be paid by such Borrower pursuant to the terms of the related Purchased Loan, other than certain customary origination fee rebates in the ordinary course of business. Such Purchased Loan does not contain any provisions that may constitute a "buydown" provision.

(s) As of each applicable Purchase Date, with respect to each applicable Purchased Loan: (i) such Purchased Loan was executed electronically and Seller has possession of the electronic records evidencing such Loan; (ii) there exists a related Loan Document Package containing the items specified herein; and (iii) such related Loan Document Package is in the possession of Seller and will be delivered by Seller to the Servicer, as custodian for Purchaser, on or promptly after such Purchase Date, and no other Person will have an "authoritative copy" of any Loan Document.

(t) Any information provided by Seller to Purchaser in relation to a Purchased Loan is consistent in all material respects with the information provided to Seller by the Borrower of such Purchased Loan. Such Purchased Loan has been fully funded and none of the Bank, Seller or Purchaser has any obligation under the related Loan Documents to advance any additional funds to the related Borrower. Seller has performed its customary verification of Borrower information in accordance with the applicable Credit Criteria.

In addition to the representations, warranties and covenants included in this Section 4.2, the Addendum with respect to the applicable Purchased Loans may include additional representations, warranties and covenants related to such Purchased Loans, which representations, warranties and covenants may be modified, revised or supplemented from time to time, and which representations, warranties and covenants are hereby incorporated into this Section 4.2.

4.3 **Purchaser Representations, Warranties and Covenants**.

Purchaser hereby represents and warrants to Seller as of the Effective Date and as of each Purchase Date (other than (i) those representations and warranties in Section 4.3(l), which shall be made continuously at all times during the term of this Agreement, and (ii) if such representation or warranty is explicitly made as of a different date or dates, in which case Purchaser represents and warrants to Seller on such date or dates), or covenants, as applicable, that:

(a) Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and is in good standing with every regulatory body having jurisdiction over its activities of Purchaser, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect on Purchaser. If Purchaser is a Bank, (i) Purchaser is chartered under U.S. federal or state banking laws, or (ii) Purchaser is a foreign depository institution that will act for purposes of this Agreement solely through United States branches that are subject to U.S. federal or state banking laws.

(b) Purchaser has all requisite corporate power and authority to own its properties, carry on its business as and where now being conducted, execute and deliver this Agreement, perform all its obligations hereunder, and to carry out the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Purchaser and is a legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency and other similar laws affecting creditors' rights generally or general equitable principles (whether considered in a proceeding in equity or at law).

(c) Purchaser has all material qualifications, regulatory permissions and/or licenses necessary for the acquisition of the Purchased Loans, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect on Purchaser.

(d) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated by this Agreement, nor compliance with its terms and conditions, will result in the creation or imposition of any lien, charge or encumbrance of any nature (other than in favor of Purchaser or as directed by Purchaser, including pursuant to a financing transaction with respect to the Purchased Loans entered into by Purchaser) upon the Purchased Loans unless otherwise agreed between the Parties in writing.

(e) Purchaser will not be rendered Insolvent by the consummation of the transactions contemplated hereby. Purchaser is not purchasing any Purchased Loan with any intent to hinder, delay or defraud any of its creditors.

(f) No consent, approval, authorization, registration, filing or order of any court or governmental or regulatory agency or body is required for the execution, delivery and performance by Purchaser of, or compliance by Purchaser with, this Agreement, or the consummation of the transactions contemplated hereby, or if any such consent, approval, authorization, registration, filing or order is required, either Purchaser has obtained the same or its failure to do so would not have a Material Adverse Effect.

(g) The consummation of the transactions contemplated by this Agreement, the execution and delivery of this Agreement and compliance with the terms of this Agreement shall not materially conflict with, result in a material breach of or constitute a material default under, and are not prohibited by, Purchaser's charter or other agreement relating to its organization, or any mortgage, indenture, deed of trust, loan or credit agreement or other agreement or instrument to which it is a party that would have a Material Adverse Effect on Purchaser.

(h) There is no litigation or action at law or in equity pending or, to the best of Purchaser's knowledge, threatened against Purchaser and no proceeding or investigation of any kind is pending or, to the best of Purchaser's knowledge, threatened in writing, by any federal, state or local governmental or administrative body against Purchaser that would reasonably be expected to have a Material Adverse Effect on Purchaser's ability to purchase the Purchased Loans or Purchaser's ability to consummate the transactions contemplated hereby.

(i) Purchaser will not utilize Borrower Information in any manner prohibited by the terms of Section 6.2.

(j) Upon Seller's request, Purchaser shall provide to Seller all necessary withholding and related tax documentation as required for the transactions contemplated hereunder. Purchaser shall bear and be solely responsible for its tax liability (including making all determinations of such liability and any positions related thereto) without any reliance on Seller.

(k) If Purchaser plans or intends to sell, assign, transfer, pledge, hypothecate or otherwise dispose of Purchased Loan(s) or any other rights under this Agreement relating to the Purchased Loans, Purchaser (subject to the immediately following sentence) will only use Seller's publicly available information to describe Seller and its products (including the Purchased Loans) in any such solicitation. Purchaser shall otherwise obtain Seller's prior written consent with respect to any additional descriptions, information or materials concerning or relating to Seller and its products (including the Purchased Loans) in any such solicitation.

(l) Purchaser:

(i) (A) will not violate any Applicable Laws in the consummation of the transactions contemplated hereby, including but not limited to, the Equal Credit Opportunity Act and other fair lending laws, the Truth in Lending Act, the Fair Credit Reporting Act, the Fair Debt Collection Practices Act, the Federal Trade Commission Act and state unfair and deceptive trade practices statutes; (B) is in compliance in all material respects with all Applicable Law, including all AML-BSA Laws; (C) is not in violation of any order of any Regulatory Authority or other board or tribunal except where such violation would not reasonably be expected to have or result in a Material Adverse Effect with respect to Purchaser; and (D) has not received any notice that Purchaser is not in material compliance in any respect with any of the requirements of any of the foregoing;

(ii) has maintained in all material respects all records required to be maintained by any applicable Regulatory Authority; and

(iii) shall promptly provide to Seller upon Seller's reasonable request (A) identifying information and/or documentation about its directors, officers, employees, signors and/or beneficial owners as required by Seller, including no less than annual updates to such information or annual confirmations that the information provided in the previous year remains true and correct; and (B) any additional information or documentation as is reasonably required for Seller to comply with Applicable Laws, including but not limited to any identifying information or documentation required with respect to AML-BSA Laws.

ARTICLE 5.
INDEMNITY; REMEDIES

5.1 Seller's Indemnification.

(a) Indemnified Purchaser Party. Seller shall indemnify and hold harmless Purchaser and its Affiliates, trustees, directors, officers, employees, members, managers, representatives, stockholders and agents (each, an "Indemnified Purchaser Party") from and against any claims, losses, damages, liabilities, costs and expenses (including, but not limited to, reasonable and documented attorneys' fees incurred in connection with the defense of any actual or threatened action, proceeding or claim, or any investigations with respect thereto, but specifically excluding any fees allocable to in-house counsel) (collectively, "Losses") to the extent that such Losses directly arise out of, and are imposed upon any such Indemnified Purchaser Party by reason of, (a) any material breach by Seller of any covenant, agreement, representation or warranty of Seller contained in this Agreement, or (b) Seller's gross negligence or willful misconduct in the performance of its duties under this Agreement.

(b) Exceptions. Notwithstanding Section 5.1(a) above, Seller shall have no obligation to do any of the following: (i) except for acts or omissions that constitute fraud, gross negligence or willful misconduct of Seller or its employees or agents, indemnify any Indemnified Purchaser Party for any punitive damages or for any actual or lost profits of such Indemnified Purchaser Party, regardless of whether Seller knew or was aware of such possible Losses or (ii) indemnify or hold harmless an Indemnified Purchaser Party from and against any Losses to the extent such Losses result from the negligence or willful misconduct of or material breach of this Agreement by any potential Indemnified Purchaser Party.

(c) Purchaser Claims Notice. Purchaser shall be responsible for making any claim for indemnity pursuant to this Section 5.1 on behalf of any Indemnified Purchaser Party. Purchaser shall provide written notice (a "Purchaser Claims Notice") to Seller describing any claim for indemnity pursuant to Section 5.1(a) within sixty (60) days after the date on which Purchaser has or receives notice of or otherwise has actual knowledge of the applicable breach to the extent such breach is not otherwise known to Seller.

(d) Seller Response Process. If Seller disagrees with the claim set forth in a Purchaser Claims Notice, Seller shall formally dispute the claim in a writing delivered to Purchaser within thirty (30) days of receipt of such Purchaser Claims Notice. If Seller does not elect to dispute the claim, Seller shall within sixty (60) days of its receipt of the Purchaser Claims Notice pay the applicable indemnification amount to Purchaser and/or other applicable Indemnified Purchaser Party; *provided*, that if the indemnity claim relates solely to a breach by Seller of its representations and warranties in Section 4.2 in relation to one or more Purchased Loans, Seller may, in lieu of paying the indemnity amount, repurchase such Purchased Loan(s) from Purchaser or (if possible and if Purchaser so agrees) cure the applicable breach in all material respects pursuant to Section 2.4 or Section 7.2, as applicable, and upon the completion of such repurchase or cure Seller shall have no further liability to the Indemnified Purchaser Parties in relation to such breach.

(e) Assignment and Multi-Party Agreements. For the avoidance of doubt, (i) Purchaser hereby acknowledges that it bears the risk of non-payment by the Borrowers and associated credit-related losses in respect thereof, and indemnification shall not be available for any such non-payment or associated losses under this Agreement, (ii) to the extent that any rights of Purchaser hereunder, or under any executed Addendum, the Servicing Agreement or any Multi-Party Agreement are assigned or otherwise transferred to a third party in accordance with the terms of this Agreement or such other agreements, as applicable, any such assignee or beneficiary shall not, unless the transfer was made in a Whole Loan Transfer or unless otherwise consented to in writing by Seller, be permitted to claim indemnification hereunder and, if the transfer was made in a Whole Loan Transfer or any such consent shall have been provided by Seller, shall be bound by the limits on indemnification contained in this Section 5.1 as if such assignee or beneficiary were Purchaser, and such assignee or beneficiary may only claim indemnity in conjunction with, or in place of, Purchaser and (iii) multiple recoveries for any single breach shall not be permitted.

5.2 Purchaser's Indemnification.

(a) Purchaser shall indemnify and hold harmless Seller and its Affiliates, trustees, directors, officers, employees, members, managers, representatives, stockholders and agents (each, an "Indemnified Seller Party") from and against any Losses incurred by Seller in connection with this Agreement to the extent that such Losses directly arise out of, and are imposed upon any such Indemnified Seller Party by reason of, any material breach by Purchaser of Sections 2.2, 2.4, 3.3, 4.3, 9.5 and Article 6 of this Agreement or the willful misconduct or gross negligence of Purchaser in the performance of its duties under this Agreement. Seller shall provide written notice (a "Seller Claims Notice", and together with a Purchaser Claims Notice and as the context suggests, each a "Claims Notice") to Purchaser describing any claim for indemnity pursuant to this Section 5.2 within sixty (60) days after the date on which Seller has or receives notice of or otherwise has actual knowledge of the applicable breach to the extent such breach is not otherwise known to Purchaser. In the case of any claim for indemnity made pursuant to this Section 5.2, if Purchaser does not dispute the claim made by Seller in writing within thirty (30) days of receipt of the related Seller Claims Notice, Purchaser shall make payment of the applicable indemnification amount to Seller within sixty (60) days of receipt of the related Seller Claims Notice.

(b) Notwithstanding Section 5.2(a) above, Purchaser shall have no obligation to do any of the following: (i) except for acts or omissions that constitute fraud, gross negligence or willful misconduct of Purchaser or its employees or agents, indemnify any Indemnified Seller Party for any punitive damages or for any actual or lost profits of such Indemnified Seller Party, regardless of whether Purchaser knew or was aware of such possible Losses, or (ii) indemnify or hold harmless an Indemnified Seller Party from and against any Losses to the extent such Losses result from the negligence or willful misconduct of or breach of this Agreement by any Indemnified Seller Party.

5.3 Notice of Claims.

Each Party against whom a claim for indemnity pursuant to this Article 5 shall have been made (each, an "Indemnifying Party") shall have the right to defend the Person seeking such indemnity (each, an "Indemnified Party") with counsel of such Indemnifying Party's choice in respect of any third party claim, so long as (i) such counsel is reasonably satisfactory to the Indemnified Party, (ii) the Indemnifying Party shall have provided written notice to the Indemnified Party, within thirty (30) days after receipt by the Indemnifying Party of the related Claims Notice, indicating that the Indemnifying Party will indemnify the Indemnified Party in accordance with the terms of this Article 5, and (iii) the Indemnifying Party conducts the defense of the third party claim or matter actively and diligently. The Indemnified Party shall have the right to retain separate co-counsel and participate in the defense of any such claim or matter; provided that any related attorneys' fees shall not be indemnifiable Losses unless the Indemnifying Party and the Indemnified Party are both defendants in the matter for which the indemnity is sought and the Indemnified Party shall have been advised by counsel representing the Parties an actual conflict of interest would arise in such counsel's continued representation of both Parties. Knowledge by an Indemnified Party of any breach or non-compliance hereunder shall not constitute a waiver of such Indemnified Party's rights and remedies under this Agreement unless such Indemnified Party shall have failed to notify the applicable Indemnifying Party of such breach or non-compliance in a timely manner in accordance with the terms of this Article 5. No express or implied waiver by an Indemnified Party of any default hereunder shall in any way be, or be construed to be, a waiver of any other default. The failure or delay of an Indemnified Party to exercise any of its rights granted hereunder regarding any default shall not constitute a waiver of any such right as to any other default, and any single or partial exercise of any particular right granted to an Indemnified Party hereunder shall not exhaust the same or constitute a waiver of any other right provided herein.

ARTICLE 6.
ADDITIONAL PROVISIONS

6.1 Confidentiality

(a) Confidential Information.

(i) During the term of this Agreement, a Party (the "Recipient") may receive or have access to certain information of the other Party (the "Discloser") including, though not limited to, records, documents, proprietary information, technology, software, trade secrets, financial and business information, or data related to such other Party's products (including the

discovery, invention, research, improvement, development, manufacture, or sale thereof), processes, or general business operations (including sales, costs, profits, pricing methods, organization, employee or customer lists and process), whether oral, written, or communicated via electronic media or otherwise disclosed or made available to a Party or to which a Party is given access pursuant to this Agreement by the other Party, and any information obtained through access to any information assets or information systems (including computers, networks, voice mail, etc.), that, if not otherwise described above, is of such a nature that a reasonable person would believe to be confidential (together, "Confidential Information"). In addition to the foregoing, this Agreement shall also be deemed to be "Confidential Information." Recipient shall protect the disclosed Confidential Information by using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use, dissemination, or publication of the Confidential Information as Recipient uses to protect its own Confidential Information of a like nature. Recipient's obligations shall only extend to (a) information that is marked as confidential at the time of disclosure, (b) information that is unmarked (e.g., orally, visually or tangibly disclosed) but which the Discloser informs the Recipient should be treated as confidential at the time of disclosure, or (c) information that a reasonable person would understand to be confidential. This Agreement imposes no obligation upon Recipient with respect to information that: (1) was in Recipient's possession before receipt from Discloser as evidenced by its books and records prior to the receipt of such information; (2) is or becomes a matter of public knowledge through no fault of Recipient, or its employees, consultants, advisors, officers or directors or Affiliates; (3) is rightfully received by Recipient from a third party without a duty of confidentiality; (4) is disclosed by Discloser to a third party without a duty of confidentiality on the third party; (5) is independently developed by Recipient without reference to the Confidential Information; (6) is disclosed under operation of law (including in connection with any applicable court order (to which either Recipient or a counter-party of Recipient is subject), law, or regulation, or a regulatory examination of either Party or any of its Affiliates); or (7) is disclosed by Recipient with Discloser's prior written approval. In addition to the foregoing, Purchaser covenants that it will not use, and will not permit any Affiliate to use, in violation of any Applicable Law, any material non-public information that has been provided to it by Seller in Purchaser's decision to invest in any securities issued by Seller, provided that the Loans and the Purchased Loans shall not be considered securities for the purposes of this Section 6.1(a). Recipient may disclose Confidential Information to its officers, directors, employees, trustees, members, partners, potential and existing financing sources (including, with respect to Purchaser, any potential or existing investor in, and Person acting as a trustee or service provider in connection with, asset-backed securities for which the Purchased Loans are included in the collateral or trust assets), advisors or representatives

(including, without limitation, attorneys, accountants, insurers, rating agencies, consultants, bankers, financial advisors, custodian and backup servicer) (collectively, "Representatives") who need to have access to such Confidential Information provided that such Representatives are subject to a confidentiality agreement or any other agreement containing applicable confidentiality provisions which shall be consistent with and no less restrictive than the provisions of this Article 6. Recipient shall be responsible for any breach of this Section 6.1 by any of its Representatives.

(ii) Prior to the termination of this Agreement, if Purchaser is, becomes, has or hereafter acquires a [___] percent ([___]%) or greater equity interest (including in the form of convertible debt, warrants or options) in, an entity that could reasonably be determined to compete with LendingClub in facilitating, providing and acquiring loans, securitizing, selling or servicing loans or investing in companies that do the foregoing or otherwise engages in businesses similar to LendingClub, then Purchaser shall provide prompt written notice to LendingClub of such interest.

(b) Additional Confidentiality and Security. In addition to its general obligation to comply with Applicable Law and the obligations of Section 6.1(a), the Purchaser shall also adhere to the following requirements regarding the confidentiality and security of Borrower Information and Loan Documents:

(i) *Protection And Security Of Individual Borrower Information.*

(1) the Purchaser shall maintain at all times an Information Security Program.

(2) the Purchaser shall assess, manage, and control risks relating to the security and confidentiality of Borrower Information, and shall implement the standards relating to such risks in the manner set forth in the applicable provisions of the Privacy Requirements.

(3) Without limiting the scope of the above, the Purchaser shall use at least the same physical and other security measures to protect all Borrower Information in the Purchaser's possession or control, as the Purchaser uses for its own confidential and proprietary information.

(4) At Seller's reasonable request, Seller may review and request details with respect to Purchaser's Information Security Program.

(ii) *Compliance With Privacy Requirements.* The Purchaser shall comply with all applicable Privacy Requirements.

(iii) *Unauthorized Access to Borrower Information.* Purchaser will provide Seller with notice of any violation of the GLB Act by Purchaser or any actual

security breach that includes Borrower Information, in each case to the extent that Purchaser has actual knowledge of such violation or breach and if and to the extent such notice to the Borrower is required by Applicable Law.

(c) The Parties agree that any breach or threatened breach of Section 6.1(b) or Section 6.2 of this Agreement could cause not only financial harm, but also irreparable harm to Seller; and that money damages may not provide an adequate remedy for such harm. In the event of a breach or threatened breach of Section 6.1(b) or Section 6.2 of this Agreement by Purchaser, Seller shall, in addition to any other rights and remedies it may have, be entitled to (1) terminate this Agreement and any and all other agreements between Purchaser and Seller immediately; (2) seek equitable relief, including, without limitation, an injunction (without the necessity of posting any bond or surety) to restrain such breach; and (3) pursue all other remedies Seller may have at law or in equity.

(d) Following the termination of this Agreement, each Party agrees that it will return or destroy all copies of Confidential Information of the other Party, without retaining any copies thereof, and destroy all copies of any analyses, compilations, studies or other documents prepared by it or for its use containing or reflecting any Confidential Information; provided, however, that, notwithstanding the foregoing, each Party may retain such limited copies or materials containing Confidential Information of the other Party and Borrower Information for customary document retention and audit purposes or as required by Applicable Law, and subject to the terms of this Agreement.

6.2 No Use of Borrower Information

In the course of purchasing and holding Purchased Loans, Purchaser may have access to certain Borrower Information. Purchaser (i) shall not utilize Borrower Information for any purpose not in connection with the transactions contemplated under this Agreement and shall not contact any Borrower for any purpose. Purchaser agrees that Borrower Information will not be disclosed or made available to any third party, agent or employee for any reason whatsoever, other than with respect to: (1) Purchaser's authorized employees, agents or representatives on a "need to know" basis in order for Purchaser to perform its obligations under this Agreement and other agreements related to the Purchased Loans, provided that such agents or representatives are subject to a confidentiality agreement which shall be consistent with and no less restrictive than the provisions of this Article 6; and (2) as required by Applicable Law or as otherwise permitted by this Agreement, either during the term of this Agreement or after the termination of this Agreement, provided that, prior to any disclosure of Borrower Information as required by Applicable Law, Purchaser shall, if permitted by Applicable Law, (I) not disclose any such information until it has notified Seller in writing of all actual or threatened legal compulsion of disclosure, and any actual legal obligation of disclosure promptly upon becoming so obligated, and (II) cooperate to the fullest extent possible with all lawful efforts by Seller to resist or limit disclosure. To the extent that Purchaser maintains or accesses any Borrower Information, Purchaser shall comply with all Applicable Law regarding use, disclosure and safeguarding of any and all consumer information.

ARTICLE 7.
REPURCHASE OBLIGATION

7.1 Repurchase for Verified ID Fraud.

In the event that any Purchased Loan sold by Seller to Purchaser hereunder experiences an occurrence of fraud as evidenced by:

(i) Obtaining an identity theft report ("ID Theft Report") from law enforcement; and

(ii) preparation of a completed Federal Trade Commission or company-specific equivalent ID Theft Affidavit,

Seller shall repurchase such Purchased Loan at an amount equal to the related Article 7 Repurchase Price within thirty (30) days of its review and approval of the foregoing.

7.2 Repurchase for Breach of Loan Representations, Warranties and Covenants

If (a) Seller receives notice of or becomes aware of any of a breach of any representation or warranty contained in Section 4.2 hereto by Seller with respect to a Purchased Loan sold to Purchaser by Seller, which breach has a Material Adverse Effect on the Purchased Loan, or (b) Purchaser provides notice to Seller within thirty (30) days after a Purchase Date that a Purchased Loan fails to comply with the grade or term specified in the applicable Purchase Instructions in effect as of the applicable Purchase Date, Seller shall repurchase such Purchased Loan from Purchaser within thirty (30) days of the date of such discovery or notice (unless such breach with respect to clause (a) of this Section 7.2 has been cured by Seller during that 30-day period). Purchaser agrees to give Seller prompt written notice if it discovers, or is notified by any Person (other than Seller) of, any breach described in this Section 7.2; provided that any delay in providing such notice shall not excuse Seller from its repurchase obligation. If Purchaser does not provide notice to Seller within thirty (30) days after the applicable Purchase Date that a Purchased Loan fails to comply with grade or term with respect to clause (b) of this Section 7.2, Seller shall not be obligated to, but may at its option, repurchase such Purchased Loan pursuant to Section 2.4.

7.3 Repurchase Procedures.

For each repurchase of a Purchased Loan under Section 7.1 and Section 7.2 the "Article 7 Repurchase Price" to be paid by Seller shall be equal to the original Purchase Price of the Purchased Loan, minus all principal payments, if any, received by Purchaser with respect to such Purchased Loan after the Purchase Date. Upon receipt of such Article 7 Repurchase Price, Purchaser shall promptly transfer its interest in such repurchased Purchased Loan to Seller on an "AS-IS," "WHERE-IS" basis, without any representations or warranties other than with respect to Purchaser's clear and marketable title to such repurchased Purchased Loan (which representation and warranty shall be deemed made upon an assumption that Seller conveyed clear and marketable title to such Purchased Loan to Purchaser on the Purchase Date), and Purchaser shall take all steps reasonably requested by Seller to evidence such transfer. Any repurchase by Seller pursuant to Section 7.1 and Section 7.2 shall be made by the wire transfer of immediately available funds to the bank account as designated by Purchaser.

ARTICLE 8.

TERM AND TERMINATION

8.1 Term.

(a) Either Party may, in its sole discretion, terminate an executed and outstanding Addendum by providing the other Party with at least thirty (30) days prior written notice of the termination date; provided that any Purchase Commitments of Purchaser with respect to Eligible Loans satisfying the Credit Criteria on the applicable Addendum (whether funded or unfunded) outstanding on the termination date shall remain in full force and effect. For the avoidance of doubt, this Agreement and any other outstanding Addenda shall remain in full force and effect unless separately terminated.

(b) Unless earlier terminated pursuant to this Section 8.1 or Section 8.2, this Agreement (and, for the avoidance of doubt, all executed and outstanding Addenda) shall terminate on the date that is three (3) years after the Effective Date (the "Initial Term"). Upon the expiration of the Initial Term, this Agreement (and, for the avoidance of doubt, all executed and outstanding Addenda) shall automatically renew for an additional successive year term unless either Party provides the other Party with written notice of nonrenewal at least thirty (30) days prior to the end of the then-current term (each, a "Renewal Term" and together with the Initial Term, the "Term"), or unless sooner terminated as provided in Section 8.2 of this Agreement. If the term of this Agreement is renewed pursuant to this Section 8.1(b), the terms and conditions of this Agreement (and, for the avoidance of doubt, all executed and outstanding Addenda) shall be the same as the terms and conditions in effect immediately prior to such renewal. If either Party provides timely notice of its intent not to renew this Agreement, then, unless otherwise sooner terminated in accordance with its terms, this Agreement (and, for the avoidance of doubt, all executed and outstanding Addenda) shall terminate on the expiration of the then-current Term; provided that any Purchase Commitments of Purchaser (whether funded or unfunded) outstanding on the termination date shall remain in full force and effect.

(c) Either Party may, in its sole discretion, terminate this Agreement (which, for the avoidance of doubt, shall include the termination of all executed and outstanding Addenda) without cause by providing the other Party with at least thirty (30) days prior written notice of the termination date; provided that any Purchase Commitments of Purchaser (whether funded or unfunded) outstanding on the termination date shall remain in full force and effect.

8.2 Termination.

(a) Purchaser reserves the right to terminate this Agreement (which, for the avoidance of doubt, shall simultaneously terminate all executed and outstanding Addenda) immediately upon the occurrence of any of the following events (each an "Event of Default"); provided that any Purchase Commitments of Purchaser (whether funded or unfunded) outstanding on the termination date shall remain in full force and effect:

(i) Seller shall fail to perform or observe any material obligation, covenant or agreement contained in this Agreement and such failure shall continue for

more than thirty (30) days after Seller's receipt of Purchaser's written demand that Seller cure such failure;

(ii) Seller shall become Insolvent, or there is a substantial cessation of its regular course of business, or a receiver or trustee of Seller's assets is appointed;

(iii) (x) any material representation or warranty of Seller contained in this Agreement shall prove to have been materially false or misleading when made (and such misstatement, if with respect to Section 4.2, has a Material Adverse Effect on the applicable Purchased Loans), and (y) such misstatement shall not be cured within thirty (30) days after Seller's receipt of Purchaser's written demand that Seller cure such misstatement; provided, that (A) such misstatements with respect to Section 4.1 or 4.2 for which Seller shall have complied with Section 5.1 and/or (B) such misstatements with respect to Section 4.2 for which Seller shall have complied with Section 7.2, shall each not apply for purposes of this clause (iii);

(iv) Seller shall cease to be in good standing with any Regulatory Authority having oversight over the operations of Seller, or Seller shall become subject to any regulatory action, in each case in a manner that would materially restrict or prohibit Seller from meeting its obligations under the terms of this Agreement;

(v) there shall occur any change in any federal, state or local law, statute, regulation or order or in any requirement of any Regulatory Authority, which change makes it illegal or impractical for Purchaser to purchase or own, or for Seller to sell, Loans in any jurisdiction; or

(vi) the Servicing Agreement is terminated, or the arrangements under which Seller acquires Loans from all Banks are cancelled, suspended, prohibited or otherwise terminated. Seller shall provide Purchaser with written notice within three (3) Business Days of the occurrence of an Event of Default pursuant to this clause (vi).

In addition, this Agreement and, for the avoidance of doubt, all executed and outstanding Addenda, will automatically terminate if there shall be commenced by or against Seller any voluntary or involuntary bankruptcy petition, and in the case of an involuntary bankruptcy petition, either such petition remains undismissed or unstayed for a period of sixty (60) days after the filing of such petition or any of the actions sought in such petition shall occur, or Seller shall make an offer or assignment or compromise for the benefit of creditors.

(b) Seller reserves the right to terminate this Agreement (and, for the avoidance of doubt, all executed and outstanding Addenda) and any unfunded Purchase Commitments immediately upon the occurrence of any of the following events:

(i) Seller is required, or a requirement has been imposed upon Seller, to comply with any risk retention rule (or other similar rule of similar effect) in connection with the transactions contemplated by this Agreement or any Multi-Party Agreement;

(ii) Purchaser fails to fund a Purchaser Online Account in the amount and by the time required under Section 2.2 hereof;

(iii) Purchaser shall fail to perform or observe any material obligation, covenant or agreement, contained in this Agreement or the Servicing Agreement and such failure shall continue for more than thirty (30) days after Purchaser's receipt of Seller's or Servicer's written demand that Purchaser cure such failure;

(iv) any material representation or warranty of Purchaser contained in this Agreement or the Servicing Agreement, shall prove to have been materially false or misleading when made, and such misstatement shall not be cured within thirty (30) days after Purchaser's receipt of Seller's or Servicer's written demand that Purchaser cure such misstatement;

(v) Purchaser shall cease to be in good standing with any Regulatory Authority having oversight over the operations of Purchaser or Purchaser shall become subject to any regulatory action that would materially restrict or prohibit Purchaser from meeting its obligations under the terms of this Agreement;

(vi) Purchaser shall become Insolvent, or Purchaser ceases to do business as a going concern, or there is a substantial cessation of its regular course of business, or a receiver or trustee of Purchaser's assets is appointed;

(vii) the arrangements under which Seller acquires Loans from a Bank are cancelled, suspended, prohibited or otherwise terminated by a Bank for reason other than an event of default or action of Seller;

(viii) there shall occur any change in any federal, state or local law, statute, regulation or order or in any requirement of any Regulatory Authority, which change makes it illegal or impractical for Purchaser to purchase or own, or for Seller to sell, Loans in any jurisdiction; or

(ix) the Servicing Agreement is terminated, LendingClub is terminated as Servicer, or the arrangements under which Seller acquires Loans from any Bank is cancelled, suspended, prohibited or otherwise terminated.

In addition, this Agreement (and, for the avoidance of doubt, all executed and outstanding Addenda) will automatically terminate if there shall be commenced by or against Purchaser or any related party in the transactions contemplated hereby any voluntary or involuntary bankruptcy petition, and in the case of an involuntary bankruptcy petition, either such petition remains

undismissed or unstayed for a period of sixty (60) days after the filing of such petition or any of the actions sought in such petition shall occur, or Purchaser shall make an offer or assignment or compromise for the benefit of creditors.

8.3 Effect of Termination.

Upon the termination of this Agreement (which shall, for the avoidance of doubt, include the termination of all executed and outstanding Addenda), all of the obligations of Purchaser to purchase Loans and of Seller to sell Loans shall cease, other than those Eligible Loans that are subject to any outstanding Purchase Commitments. The obligations of Purchaser and Seller hereunder with respect to all outstanding Purchased Loans shall continue in full force and effect until all Purchased Loans have been paid in full or are otherwise discharged or expire. The provisions of Section 2.6, Article 5, Article 6, Article 7, Section 8.3 and Section 9.16 shall survive any termination of this Agreement.

ARTICLE 9.
MISCELLANEOUS

9.1 Notices.

All notices and other communications hereunder will be in writing to the respective parties as follows:

if to Purchaser:

INSERT ADDRESS

Attention:
Email Address:
With a copy to (which will not constitute notice):

INSERT ADDRESS

Attention:
Email Address:

if to Seller:

LendingClub Corporation
595 Market St. #200
San Francisco, CA 94105
Attention: Chief Capital Officer
E-mail Address: vkay@lendingclub.com

With a copy to (which will not constitute notice):

LendingClub Corporation
595 Market St. #200
San Francisco, CA 94105
Attention: General Counsel
E-mail Address: bpace@lendingclub.com

or to such other address as the Party to whom notice is given may have previously furnished to the others in writing in the manner set forth above. Any notice or communication delivered in person will be deemed effective upon delivery. Any notice or communication sent by facsimile, email, or air courier will be deemed effective on the first Business Day following the day on which such notice or communication was sent. Any notice or communication sent by registered or certified mail will be deemed effective on the third Business Day at the place from which such notice or communication was mailed following the day on which such notice or communication was mailed.

9.2 Amendment; Waiver.

Except as otherwise expressly provided herein, Purchaser and Seller may amend this Agreement, from time to time, in a writing signed by duly authorized representatives of Seller and Purchaser. No term or provision of this Agreement may be waived or modified unless such waiver or modification is in writing and signed by the Party against whom such waiver or modification is sought to be enforced.

9.3 Cumulative Rights.

All rights and remedies of the parties hereto under this Agreement shall, except as otherwise specifically provided herein, be cumulative and non-exclusive of any rights or remedies which they may have under any other agreement or instrument, by operation of law, or otherwise.

9.4 Assignment.

The rights and obligations of either Party under this Agreement shall not be assigned without the prior written consent of the other Party, and any such assignment without the prior written consent of the other Party shall be null and void. This Section 9.4 shall not in any way prohibit or limit Purchaser's ability to assign, pledge, hypothecate or otherwise dispose of Purchased Loans or its other rights under this Agreement relating to the Purchased Loans included in such assignment, pledge, hypothecation, or other disposition, subject to any applicable limitations thereon described in this Agreement, the Servicing Agreement and any Multi-Party Agreement.

9.5 Bank Approval of Disclosure.

(a) Purchaser agrees (i) that it shall, and that it shall require (A) each and any Person to which Purchaser transfers a Purchased Loan, (B) any Affiliate of such Person, (C) any special purpose vehicle established at the direction or for the benefit of such Person, or (D) an Affiliate of such Person to which such Person subsequently transfers a Purchased Loan to, in each case, obtain

Bank's written approval as to any publicly filed document or document made available to a third-party regarding documentation that identifies Bank by name or provides a description of the Bank Program, (ii) that it shall require any Person covered by clause (i) above to include a provision similar to this Section 9.5(a) in any agreement by which such Person sells or transfers Purchased Loans requiring such Person and any subsequent transferee of such Person to obtain Bank's approval as contemplated hereby, and (iii) shall otherwise use commercially reasonable efforts to require any subsequent transferee not covered by clause (i) above to obtain Bank's written approval as to any publicly filed document or document made available to a third party regarding documentation that identifies Bank by name or provides a description of the Bank Program.

9.6 Place of Delivery, Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

This Agreement shall be deemed in effect when a fully executed counterpart thereof is received by Purchaser and shall be deemed to have been made in the State of Delaware.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF.

EACH PARTY EXPRESSLY AND IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE FEDERAL AND/OR STATE COURTS OF THE STATE OF DELAWARE FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT, OR ANY DOCUMENT DELIVERED PURSUANT HERETO BY THE MAILING OF A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO ITS RESPECTIVE ADDRESS SPECIFIED AT THE TIME FOR NOTICES UNDER THIS AGREEMENT.

EACH PARTY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

9.7 Limitation of Liability.

EXCEPT FOR ACTS OR OMISSION THAT CONSTITUTE FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS RESPECTIVE AFFILIATES, BENEFICIARIES, ASSIGNEES OR SUCCESSORS (BY ASSIGNMENT OR OTHERWISE) BE LIABLE TO THE OTHER PARTY OR TO ANY OTHER ENTITY FOR ANY LOST PROFITS, COSTS OF COVER, OR OTHER SPECIAL DAMAGES, OR ANY PUNITIVE, EXEMPLARY, REMOTE, CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES, UNDER THIS AGREEMENT INCURRED OR CLAIMED BY ANY PARTY OR ENTITY (OR SUCH PARTY OR ENTITY'S OFFICERS, DIRECTORS, STOCKHOLDERS, MEMBERS OR OWNERS), HOWEVER CAUSED, ON ANY THEORY OF LIABILITY.

9.8 Successors and Assigns

Subject to Section 9.4, this Agreement shall bind and inure to the benefit of and be enforceable by the Parties and their respective successors and assigns.

9.9 Severability.

Any part, provision, representation or warranty of this Agreement that is prohibited or not fully enforceable in any jurisdiction, will be ineffective only to the extent of such prohibition or unenforceability without otherwise invalidating or diminishing either Party's rights hereunder or under the remaining provisions of this Agreement in such jurisdiction, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable in any respect any such provision in any other jurisdiction.

9.10 Entire Agreement.

As of the Effective Date, Seller and Purchaser hereby acknowledge and agree that this Agreement, together with the exhibits hereto, and any Addenda executed and delivered in connection herewith, represent the complete and entire agreement between the Parties, and shall supersede all prior written or oral statements, agreements or understandings between the Parties relating to the subject matter of this Agreement.

9.11 Further Assurances. Each Party, upon the reasonable written request of the other Party, shall execute and deliver to such other Party any reasonably necessary or appropriate additional documents, instruments or agreements as may be reasonably necessary or appropriate to effectuate the purposes of this Agreement or the consummation of the transactions contemplated hereunder. Each Party also agrees to perform its respective obligations under this Agreement in material compliance with Applicable Law and to reasonably cooperate in good faith with the other in resolving compliance with Applicable Law issues.

9.12 No Joint Venture or Partnership.

Each Party (including any of its respective permitted successors and assignees) acknowledges and agrees that such Party will not hold itself out as an agent, partner or co-venturer of the other Party and that this Agreement and the transactions contemplated hereby including the

payment of any fees, any expense reimbursement or any referral fee are not intended and do not create an agency, partnership, joint venture or any other type of relationship between or among the Parties, except to the extent that any independent contractual relationship established hereby.

9.13 Exhibits and Addenda.

The exhibits to this Agreement and any executed and delivered Addenda are hereby incorporated and made a part hereof and are an integral part of this Agreement.

9.14 Costs.

Unless otherwise provided for in this Agreement, each of Purchaser and Seller shall bear its own costs and expenses in connection with this Agreement, including without limitation any commissions, fees, costs, and expenses, including those incurred in relation to due diligence performed or legal services provided in connection with this Agreement.

9.15 Counterparts.

This Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. The parties agree that this Agreement and signature pages may be transmitted between them by facsimile or by electronic mail and that faxed, PDF or DocuSign (or other e-signature) signatures may constitute original signatures and that a faxed, PDF or DocuSign (or other e-signature) signature page containing the signature (faxed, PDF, DocuSign (or other e-signature) or original) is binding upon the parties.

9.16 No Petition.

Notwithstanding any prior termination of this Agreement, to the fullest extent permitted by Applicable Law, each Party agrees that it shall not institute, or join any other Person in instituting, a petition or a proceeding that causes (a) the other Party to be a debtor under any federal or state bankruptcy or similar insolvency law or (b) a trustee, conservator, receiver, liquidator, or similar official to be appointed for such other Party or any substantial part of any of its property.

9.1 Force Majeure.

If any Party reasonably anticipates being unable or is rendered unable, wholly or in part, by an extreme and unexpected force outside the control of such Party (including, but not limited to, act of God, legislative enactments, strikes, lock-outs, riots, acts of war, epidemics, fire, communication line or power failure, earthquakes or other disasters) to carry out its obligations under this Agreement, that Party shall give to the other Party in a commercially reasonable amount of time written notice to that effect, the expected duration of the inability to perform and assurances that all available means will be employed to continue and/or restore performance. Upon receipt of the written notice, the affected obligations of the Party giving the notice shall be suspended so long as such Party is reasonably unable to so perform and such Party shall have no liability to the other for the failure to perform any suspended obligation during the period of suspension; however, the other Party may at its option terminate this Agreement.

[*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK*]

IN WITNESS WHEREOF, the parties hereto have caused to be duly authorized, executed and delivered, as of the date first above written, this MASTER LOAN PURCHASE AGREEMENT.

PURCHASER:
[_____]

By: _____
Name:
Title:

SELLER:

LENDINGCLUB CORPORATION

By: _____
Name:
Title:

PRIME LOAN PRODUCT

ADDENDUM NO. 1 TO MASTER LOAN PURCHASE AGREEMENT

This Addendum No. 1 to Master Loan Purchase Agreement ("Addendum No. 1") is effective as of the date of execution by Purchaser and Seller. All capitalized terms that are used but not defined herein shall have the meanings ascribed to such terms in the Master Loan Purchase Agreement, dated as of [_____], 20__ between Purchaser and Seller (as amended from time to time, the "Master Loan Purchase Agreement"). All terms and provisions of this Addendum No. 1 shall be incorporated into and shall supplement the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 1. To the extent any provision of this Addendum No. 1 conflicts with any other provision of the Master Loan Purchase Agreement, the provision of this Addendum No. 1 shall govern.

I. Defined Terms

"Loan" means an unsecured consumer loan originated by Bank and acquired by Seller, which includes, on a whole loan basis, all right, title and interest of Bank, as holder of both the beneficial and legal title to such loan, including without limitation: (a) the related Loan Document Package, the related Records and all other loan documents, files and records for such Loan; (b) all proceeds from such loan (including without limitation any monthly payments, any prepayments and any other proceeds); (c) all Servicing Rights with respect to such loan; and (d) all other rights, titles, interests, benefits, proceeds, remedies and claims in favor or for the benefit of Bank (or its successors and assigns) arising from or relating to such loan.

"Credit Criteria" means the credit criteria and underwriting procedures of the Bank for making unsecured consumer loans that meet the credit threshold made publicly available by Seller, together with any modifications thereto (including, without limitation, modifications to allow such credit policy to be adopted by or applicable to any new Bank added after the Launch Date).

"Month" has the meaning set forth in Section III(a)(i).

"Order" has the meaning set forth in Section III(a)(i).

"Scale Program" means the program facilitated by Seller with respect to "Prime" Loans pursuant to which participating institutional investors deliver Scale Program Purchase Instructions on a grade and term basis only and Seller makes Purchase Commitments on behalf of such investors pursuant to the terms of this Addendum No. 1 and the Master Loan Purchase Agreement, as such program may be amended or modified from time to time with prior written notice to Purchaser.

"Scale Program Loans" means Eligible Loans that constitute "Prime" Loans and are facilitated and sold by Seller pursuant to the Scale Program.

"Scale Program Monthly Purchase Amount" means the Maximum Purchase Amount with respect to the Scale Program Loans, i.e., the monthly aggregate initial principal balance of Scale Program Loans that Purchaser commits to purchase and for which Seller may make Purchase Commitments on behalf of Purchaser, as such amount is agreed to pursuant to Section III(b).

"Scale Program Purchase Instructions" means the executed Purchase Instructions with respect to Scale Program Loans, attached to the Master Loan Purchase Agreement as Exhibit A-2 and as such Purchase Instructions are updated from time to time pursuant to the terms of the Master Loan Purchase Agreement.

"Select Program" means the program facilitated by Seller with respect to "Prime" Loans pursuant to which participating institutional investors make (either on their own behalf or via delegated authority to Seller) Purchase Commitments for "Prime" Loans outside of the Scale Program.

"Select Program Loans" means Eligible Loans that constitute "Prime" Loans and are facilitated and sold by Seller pursuant to the Select Program.

"Select Program Purchase Instructions" means the executed Purchase Instructions with respect to Select Program Loans (and, if applicable, "Super Prime" Loans), attached to the Master Loan Purchase Agreement as Exhibit A-1 and as such Purchase Instructions are updated from time to time pursuant to the terms of the Master Loan Purchase Agreement.

"Servicing Rights" has the meaning assigned to such term in the Servicing Agreement.

II. Loan Documents

1. Truth in Lending Disclosure
2. Credit Profile Authorization
3. Borrower Agreement
4. Loan Agreement and Promissory Note (*Note:* form is included as Exhibit A to Borrower Agreement)
5. Applicable Privacy Notice (*Note:* form is included as Exhibit B to Borrower Agreement)
6. Terms of Use

III. Purchase Instructions

The following provisions supplement those contained in Section 2.1 of the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 1:

(a) In conjunction with the execution of this Addendum No. 1, Purchaser may (and in the case of the Scale Program, must) provide to Seller completed Purchase Instructions regarding the characteristics of Eligible Loans (satisfying the Credit Criteria outlined in this Addendum No.

1) it wishes to purchase in the form set forth as Exhibit A-1 and/or Exhibit A-2 to the Master Loan Purchase Agreement, with respect to Select Program Loans and Scale Program Loans, respectively.

(i) If Purchaser provides Scale Program Purchase Instructions to Seller, Seller and Purchaser shall agree in writing (via email or mail) to the Scale Program Monthly Purchase Amount (i) no later than the twenty-first (21st) day (or such other date as agreed in writing by the Seller and Purchaser) of each calendar month prior to a calendar month occurring during the term of this Addendum No. 1 (each, a "Month"), Purchaser shall submit to Seller in writing the maximum monthly aggregate initial principal balance of Scale Program Loans that it would like to purchase in the Scale Program during the following Month (each, an "Order"); and (ii) upon receipt of each Order, and no later than the last day of the calendar month prior to the applicable Month, Seller shall deliver to Purchaser in writing its Scale Program Monthly Purchase Amount for such Month, which shall, for the avoidance of doubt, be equal to or less than the Order amount delivered by Purchaser for such Month. Any Scale Program Monthly Purchase Amount and Scale Program Purchase Instructions provided by Purchaser to Seller shall be effective on the first day of the next calendar month and will apply for each subsequent calendar month during the term of this Addendum No. 1, until canceled by either Party or superseded by a new Scale Program Monthly Purchase Amount or Scale Program Purchase Instructions.

(ii) If Purchaser provides Select Program Purchase Instructions to Seller, Purchaser shall also notify Seller in writing (via email or mail) of the related Maximum Purchase Amount. Any Maximum Purchase Amount with respect to Select Loans and Select Program Purchase Instructions provided by Purchaser to Seller shall be effective as of the date they are accepted by Seller in writing (by email or mail) in its sole discretion and will apply for each subsequent calendar month during the term of this Addendum No. 1, until canceled by either Party or superseded by a new properly delivered Maximum Purchase Amount with respect to Select Loans or Select Program Purchase Instructions.

(iii) With respect to both Scale Program Loans and Select Program Loans, Purchaser hereby delegates to Seller the authority to make Purchase Commitments and purchase Eligible Loans on behalf of Purchaser through the applicable Purchaser Online Account up to the applicable Maximum Purchase Amount in accordance with any then-current applicable Purchase Instructions. Upon selection of an Eligible Loan in accordance with the Purchase Instructions, Seller commits to offer Purchaser, and Purchaser hereby commits to purchase such Eligible Loan; provided, however, that any Non-Offered Loans shall be released and removed from any Purchase Commitment. All purchases pursuant to any Purchase Instructions shall be deemed to be in Purchaser's sole discretion. Purchaser acknowledges that Seller makes no guaranty or warranty that Eligible Loans meeting the characteristics set forth in the Purchase Instructions will be available in any given month. For the avoidance of doubt, (A) Scale Program Purchase Instructions shall apply only to Scale Program Loans, and Select Purchase Instructions shall apply only to Select Program Loans,

and (B) with respect to Scale Program Purchase Instructions, Seller shall use commercially reasonable efforts to make Purchase Commitments on behalf of Purchaser during each Month in accordance with the Loan grade and term percentages reflected in the Scale Program Purchase Instructions, but Seller does not guarantee that such Purchase Commitments shall exactly reflect such percentages on a Month-to-Month basis.

(b) For the avoidance of doubt, if Purchaser executes both Addendum No. 1 (Prime) and Addendum No. 2 (Super Prime) and wishes to provide Purchase Instructions for each set of Credit Criteria, Purchaser shall complete and deliver to Seller separate Purchase Instructions with each Addendum and, if Purchaser is participating in both the Scale Program and the Select Program, Purchaser shall deliver to Seller a Scale Program Purchase Instruction and a Select Program Purchase Instruction (rather than solely one set of Purchase Instructions with respect to the "Prime" Loan Product).

(c) To the extent Purchaser is participating in the Scale Program, each Month, Seller may, but is not required to, make available to Purchaser an amount of Scale Program Loans up to the applicable Scale Program Monthly Purchase Amount, and if the amount of Scale Program Loans available in a given Month is collectively less than the corresponding Scale Program Monthly Purchase Amount, such unavailability shall not constitute a breach of this Addendum No. 1 or the Master Loan Purchase Agreement.

IV. Representations, Warranties and Covenants

The following representations, warranties and covenants supplement those contained in Section 4.2 of the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 1:

i. To the extent Seller makes any material changes or modifications to the Credit Criteria applicable to this Addendum No. 1, such changes or modifications shall be communicated to Purchaser in the same manner and method and to the same extent that such changes or modifications are communicated to the public.

ii. Based upon the information provided by the applicant, the Borrower under the Purchased Loan is an individual and not a corporation, partnership, association, or similar entity. For purposes of this Section IV(b), a single member limited liability company or other entity owned or operated by or passing through to an individual shall be deemed an entity and not an individual.

iii. The Purchased Loan is not a revolving line of credit or similar credit facility and no obligation to make any future advance to the Borrower exists or is contemplated with respect to such Purchased Loan.

iv. As of the applicable Origination Date, the Purchased Loan is fully amortizing with payments due monthly.

V. Termination

The following provision supplements those contained in Section 8.2(a) of the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 1:

(a) Purchaser reserves the right to terminate this Addendum No. 1 immediately upon written notice to Seller within five (5) Business Days of receipt of the notice set forth in Section IV(a) of this Addendum No. 1. For the avoidance of doubt, the Master Loan Purchase Agreement and any other outstanding Addenda shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum No. 1 as of the last date written below.

PURCHASER:	SELLER:
[_____]	**LENDINGCLUB CORPORATION**
By: _____	By: _____
Name:	Name:
Title:	Title:
Date:	Date:

SUPER PRIME LOAN PRODUCT

ADDENDUM NO. 2 TO MASTER LOAN PURCHASE AGREEMENT

This Addendum No. 2 to Master Loan Purchase Agreement ("Addendum No. 2") is effective as of the date of execution by Purchaser and Seller. All capitalized terms that are used but not defined herein shall have the meanings ascribed to such terms in the Master Loan Purchase Agreement, dated as of [_____], 20__ between Purchaser and Seller (as amended from time to time, the "Master Loan Purchase Agreement"). All terms and provisions of this Addendum No. 2 shall be incorporated into and shall supplement the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 2. To the extent any provision of this Addendum No. 2 conflicts with any other provision of the Master Loan Purchase Agreement, the provision of this Addendum No. 2 shall govern.

I. Defined Terms

"Loan" means an unsecured consumer loan originated by Bank and acquired by Seller, which includes, on a whole loan basis, all right, title and interest of Bank, as holder of both the beneficial and legal title to such loan, including without limitation: (a) the related Loan Document Package, the related Records and all other loan documents, files and records for such Loan; (b) all proceeds from such Loan (including without limitation any monthly payments, any prepayments and any other proceeds); (c) all Servicing Rights with respect to such loan; (d) all other rights, titles, interests, benefits, proceeds, remedies and claims in favor or for the benefit of Bank (or its successors and assigns) arising from or relating to such Loan.

"Credit Criteria" means the minimum credit criteria designated as Credit Criteria with respect to this Addendum No. 2 and provided by Seller to Purchaser from time to time in Seller's sole discretion in accordance with the terms of Section IV(a) of this Addendum No. 2. For the avoidance of doubt, "Credit Criteria" for purposes of this Addendum No. 2 shall mean the version most recently provided by Seller to Purchaser.

"Servicing Rights" has the meaning assigned to such term in the Servicing Agreement.

II. Loan Documents

1. Truth in Lending Disclosure
2. Credit Profile Authorization
3. Borrower Agreement
4. Loan Agreement and Promissory Note (*Note:* form is included as Exhibit A to Borrower Agreement)
5. Applicable Privacy Notice (*Note:* form is included as Exhibit B to Borrower Agreement)

6. Terms of Use

III. Purchase Instructions

The following provisions supplement those contained in Section 2.1 of the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 2:

(a) In conjunction with the execution of this Addendum No. 2, Purchaser may provide to Seller completed Purchase Instructions (in the form set forth as Exhibit A to the Master Loan Purchase Agreement) regarding the characteristics of Eligible Loans (satisfying the Credit Criteria outlined in this Addendum No. 2) it wishes to purchase. If Purchaser provides Purchase Instructions to Seller, Purchaser shall also notify Seller in writing (via email or mail) of the Maximum Purchase Amount. Any Maximum Purchase Amount and Purchase Instructions provided by Purchaser to Seller shall be effective as of the date they are accepted by Seller in writing (via email or mail) in its sole discretion and will apply for each subsequent calendar month during the term of this Addendum No. 2, until canceled by either Party or superseded by a new properly delivered Maximum Purchase Amount or Purchase Instruction. Purchaser hereby delegates to Seller the authority to make Purchase Commitments and purchase Eligible Loans on behalf of Purchaser through the applicable Purchaser Online Account up to the Maximum Purchase Amount in accordance with any then-current Purchase Instructions. Upon selection of an Eligible Loan in accordance with the Purchase Instructions, Seller commits to offer Purchaser, and Purchaser hereby commits to purchase such Eligible Loan; provided, however, that any Non-Offered Loans shall be released and removed from any Purchase Commitment. All purchases pursuant to any Purchase Instructions shall be deemed to be in Purchaser's sole discretion. Purchaser acknowledges that Seller makes no guaranty or warranty that Eligible Loans meeting the characteristics set forth in the Purchase Instructions will be available in any given month.

(b) For the avoidance of doubt, if Purchaser executes both Addendum No. 1 (Prime) and Addendum No. 2 (Super Prime) and wishes to provide Purchase Instructions for each set of Credit Criteria, Purchaser shall complete and deliver to Seller separate Purchase Instructions with each Addendum.

IV. Representations, Warranties and Covenants

The following representations, warranties and covenants supplement those contained in Section 4.2 of the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 2:

(a) Seller shall provide written notification to Purchaser at least ten (10) Business Days prior to any material changes or modifications to the Credit Criteria applicable to this Addendum No. 2. In addition to the notice required pursuant to this Section IV(a), Seller agrees to provide or otherwise make available to Purchaser a copy of the Credit Criteria then in effect upon Purchaser's reasonable request.

(b) Based upon the information provided by the applicant, the Borrower of the Purchased Loan is an individual and not a corporation, partnership, association, or similar entity. For purposes of this Section IV(b), a single member limited liability company or other entity owned or operated by or passing through to an individual shall be deemed an entity and not an individual.

(c) The Purchased Loan is not a revolving line of credit or similar credit facility and no obligation to make any future advance to the Borrower exists or is contemplated with respect to such Purchased Loan.

(d) As of the applicable Origination Date, the Purchased Loan is fully amortizing with payments due monthly.

V. Termination

The following provision supplements those contained in Section 8.2(a) of the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 2:

(a) Purchaser reserves the right to terminate this Addendum No. 2 immediately upon written notice to Seller within five (5) Business Days of receipt of the notice set forth in Section IV(a) of this Addendum No. 2. For the avoidance of doubt, the Master Loan Purchase Agreement and any other outstanding Addenda shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum No. 2 as of the last date written below.

PURCHASER:	SELLER:
[_____]	**LENDINGCLUB CORPORATION**
By: _____	By: _____
Name:	Name:
Title:	Title:
Date:	Date:

NEAR PRIME LOAN PRODUCT

ADDENDUM NO. 3 TO MASTER LOAN PURCHASE AGREEMENT

This Addendum No. 3 to Master Loan Purchase Agreement ("Addendum No. 3") is effective as of the date of execution by Purchaser and Seller. All capitalized terms that are used but not defined herein shall have the meanings ascribed to such terms in the Master Loan Purchase Agreement, dated as of [_____], 20__ between Purchaser and Seller (as amended from time to time, the "Master Loan Purchase Agreement"). All terms and provisions of this Addendum No. 3 shall be incorporated into and shall supplement the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 3. To the extent any provision of this Addendum No. 3 conflicts with any other provision of the Master Loan Purchase Agreement, the provision of this Addendum No. 3 shall govern.

I. Defined Terms

"Loan" means an unsecured, consumer loan originated by Bank and acquired by Seller, which includes, on a whole loan basis, all right, title and interest of Bank, as holder of both the beneficial and legal title to such loan, including without limitation: (a) the related Loan Document Package, the related Records and all other loan documents, files and records for such Loan; (b) all proceeds from such Loan (including without limitation any monthly payments, any prepayments and any other proceeds); (c) all Servicing Rights with respect to such loan; and (d) all other rights, titles, interests, benefits, proceeds, remedies and claims in favor or for the benefit of Bank (or its successors and assigns) arising from or relating to such Loan.

"Credit Criteria" means the minimum credit criteria for near prime Loans designated as Credit Criteria with respect to this Addendum No. 3 and provided by Seller to Purchaser from time to time in Seller's sole discretion upon at least ten (10) Business Days' notice in accordance with the terms of Section IV(a) of this Addendum No. 3. For the avoidance of doubt, "Credit Criteria" for purposes of this Addendum No. 3 shall mean the version most recently provided by Seller to Purchaser.

"Near Prime Loan Product" means the "Near Prime" Loan Product for which Loans satisfying the Credit Criteria applicable to this Addendum No. 3 are facilitated by Seller.

"Purchase Requirement" means a minimum aggregate dollar amount of applicable Purchase Commitments (to the extent Eligible Loans are available, offered by Seller to Purchaser, and subject to any Purchase Limitation) that Purchaser agrees to make in a given calendar month.

"Servicing Rights" has the meaning assigned to such term in the Servicing Agreement.

II. Loan Documents

1. Truth in Lending Disclosure
2. Credit Profile Authorization
3. Borrower Agreement
4. Loan Agreement and Promissory Note (*Note:* form is included as Exhibit A to Borrower Agreement)
5. Applicable Privacy Notice (*Note:* form is included as Exhibit B to Borrower Agreement)
6. Terms of Use

III. Purchase Requirement

The following provisions supplement those contained in Section 2.2 of the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 3:

(a) With respect to Eligible Loans offered to Purchaser by Seller pursuant to the Credit Criteria specifications of this Addendum No. 3, Purchaser and Seller shall mutually agree in writing (by mail or email) to a Purchase Requirement. At least thirty (30) days prior to the first day of each month, or as otherwise agreed between the Parties in writing (by mail or email), Seller and Purchaser will mutually agree as to the Purchase Requirement for such month. Such Purchase Requirement will go into effect on the first day of such month and will apply for each month going forward until Seller and Purchaser mutually agree in writing (by mail or email) to modify such Purchase Requirement. For the avoidance of doubt, Seller may, but is not required to offer to Purchaser, an amount of Eligible Loans equal to the Purchase Requirement and its offer of no Eligible Loans or an amount of Eligible Loans that is less than the Purchase Requirement shall not constitute a breach of this Addendum No. 3.

(a) Purchaser agrees to make a Purchase Commitment for all Eligible Loans offered to Purchaser by Seller pursuant to the Credit Criteria specifications outlined in this Addendum No. 3 (other than those that become Non-Offered Loans and to the extent Eligible Loans are available) in any given calendar month until such time as Purchaser has made Purchase Commitments for an amount of Eligible Loans (based upon Purchase Price) equal to the Purchase Requirement for such month. Each Eligible Loan offered to Purchaser by Seller, in Seller's sole discretion, up to the Purchase Requirement will be deemed to be subject to a Purchase Commitment upon offer. After meeting the Purchase Requirement for any calendar month, upon the mutual agreement in writing (by mail or email) between Seller and Purchaser and to the extent Eligible Loans are available, Seller may offer additional Eligible Loans during such month subject to the Purchase Limitation.

(b) Seller may strive to allocate Eligible Loans among purchasers purchasing Loans satisfying the Credit Criteria applicable to the Loan Product covered by this Addendum No. 3 in an equitable manner so that all purchasers have an equitable opportunity to purchase Eligible Loans pursuant to the Credit Criteria specifications outlined in this Addendum No. 3. However, Purchaser acknowledges that Seller may, in its sole and absolute discretion, allocate Eligible Loans to

purchasers of the Near Prime Loan Product in a manner that does not result in all participants having an equal distribution of Eligible Loans, whether across grade, term or amount.

IV. Representations, Warranties and Covenants

The following representations, warranties and covenants supplement those contained in Section 4.2 of the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 3:

(a) Seller shall provide written notification to Purchaser at least ten (10) Business Days prior to any material changes or modifications to the Credit Criteria applicable to this Addendum No. 3. In addition to the notice required pursuant to this Section IV(a), Seller agrees to provide or otherwise make available to Purchaser a copy of the Credit Criteria then in effect upon Purchaser's reasonable request.

(b) Based upon the information provided by the applicant, the Borrower of the Purchased Loan is an individual and not a corporation, partnership, association, or similar entity. For purposes of this Section IV(b), a single member limited liability company or other entity owned or operated by or passing through to an individual shall be deemed an entity and not an individual.

(c) The Purchased Loan is not a revolving line of credit or similar credit facility and no obligation to make any future advance to the Borrower exists or is contemplated with respect to such Purchased Loan.

(d) As of the applicable Origination Date, the Purchased Loan is fully amortizing with payments due monthly.

V. Termination

The following provision supplements those contained in Section 8.2(a) of the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria applicable to this Addendum No. 3:

(a) Purchaser reserves the right to terminate this Addendum No. 3 immediately upon written notice to Seller within five (5) Business Days of receipt of the notice set forth in Section IV(a) of this Addendum No. 3. For the avoidance of doubt, the Master Loan Purchase Agreement and any other outstanding Addenda shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum No. 3 as of the last date written below.

PURCHASER:	SELLER:
[_____]	**LENDINGCLUB CORPORATION**
By: _____	By: _____
Name:	Name:
Title:	Title:
Date:	Date:

SMALL BUSINESS LOAN PRODUCT

ADDENDUM NO. 4 TO MASTER LOAN PURCHASE AGREEMENT

This Addendum No. 4 to Master Loan Purchase Agreement ("Addendum No. 4") is effective as of the date of execution by Purchaser and Seller. All capitalized terms that are used but not defined herein shall have the meanings ascribed to such terms in the Master Loan Purchase Agreement, dated as of [_____], 20__ between Purchaser and Seller (as amended from time to time, the "Master Loan Purchase Agreement"). All terms and provisions of this Addendum No. 4 shall be incorporated into and shall supplement the Master Loan Purchase Agreement with respect to Loans satisfying the Credit Criteria outlined in this Addendum No. 4. To the extent any provision of this Addendum No. 4 conflicts with any other provision of the Master Loan Purchase Agreement, the provision of this Addendum No. 4 shall govern.

I. Product-Specific Defined Terms

"Loan" means a business loan originated and issued by Bank to a business entity (including a sole proprietorship) and acquired by Seller, which includes, on a whole loan basis, all right, title and interest of Bank, as holder of both the beneficial and legal title to such loan, including without limitation: (a) the related Loan Document Package, the related Records and all other loan documents, files and records for such loan; (b) all proceeds from such Loan (including without limitation any monthly payments, any prepayments and any other proceeds) and any related Personal Guaranty; (c) any collateral securing any of the foregoing; (d) all Servicing Rights with respect to such loan; and (e) all other rights, titles, interests, benefits, proceeds, remedies and claims in favor or for the benefit of Bank (or its successors and assigns) arising from or relating to such loan.

"Credit Criteria" means the minimum credit criteria for business Loans designated as Credit Criteria with respect to this Addendum No. 4 and provided by Seller to Purchaser from time to time in Seller's sole discretion upon at least ten (10) Business Days' notice in accordance with the terms of Section IV(a) of this Addendum No. 4. For the avoidance of doubt, "Credit Criteria" for purposes of this Addendum No. 4 shall mean the version most recently provided by Seller to Purchaser.

"Personal Guaranty" means, with respect to a Loan satisfying the Credit Criteria outlined in this Addendum No. 4, a guaranty by an individual person of all or any portion of the obligations under such loan, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Purchase Requirement" means a minimum aggregate dollar amount of applicable Purchase Commitments (to the extent Eligible Loans are available, offered by Seller to Purchaser, and subject to any Purchase Limitation) that Purchaser agrees to make in a given calendar month.

"Servicing Rights" has the meaning assigned to such term in the Servicing Agreement.

"Small Business Loan Product" means the "Small Business Term" Loan Product for which Loans satisfying the Credit Criteria applicable to this Addendum No. 4 are facilitated by Seller.

II. Loan Documents

1. Commercial Borrower Agreement
2. Commercial Loan Agreement and Promissory Note (*Note:* form is included as Exhibit A to Commercial Borrower Agreement)
3. Applicable Privacy Notice (*Note:* form is included as Exhibit B to Commercial Borrower Agreement
4. Terms of Use
5. Personal Guaranty
6. Security Agreement (if applicable)
7. UCC Financing Statements(s) (if applicable)

III. Purchase Requirement

The following provisions supplement those contained in Section 2.2 of the Master Loan Purchase Agreement with respect to Purchased Loans satisfying the Credit Criteria outlined in this Addendum No. 4:

(a) With respect to Eligible Loans offered to Purchaser by Seller pursuant to the Credit Criteria specifications of this Addendum No. 4, Purchaser and Seller shall mutually agree in writing (by mail or email) to a Purchase Requirement. At least thirty (30) days prior to the first day of each month, or as otherwise agreed between the Parties in writing (by mail or email), Seller and Purchaser will mutually agree as to the Purchase Requirement for such month. Such Purchase Requirement will go into effect on the first day of such month and will apply for each month going forward until Seller and Purchaser mutually agree in writing (by mail or email) to modify such Purchase Requirement. For the avoidance of doubt, Seller may, but is not required to offer to Purchaser, an amount of Eligible Loans equal to the Purchase Requirement and its offer of no Eligible Loans or an amount of Eligible Loans that is less than the Purchase Requirement shall not constitute a breach of this Addendum No. 4.

(b) Purchaser agrees to make a Purchase Commitment for all Eligible Loans offered to Purchaser by Seller pursuant to the Credit Criteria specifications outlined in this Addendum No. 4 (other than those that become Non-Offered Loans and to the extent Eligible Loans are available) in any given calendar month until such time as Purchaser has made Purchase Commitments for an amount of Eligible Loans (based upon Purchase Price) equal to the Purchase Requirement for such month. Each Eligible Loan offered to Purchaser by Seller, in Seller's sole discretion, up to the Purchase Requirement will be deemed to be subject to a Purchase Commitment upon offer. After meeting the Purchase Requirement for any calendar month, upon the mutual agreement in writing (by mail or email) between Seller and Purchaser and to the extent Eligible Loans are available, Seller may offer additional Eligible Loans during such month subject to the Purchase Limitation.

(c) Seller may strive to allocate Eligible Loans among purchasers purchasing Loans satisfying the Credit Criteria applicable to the Loan Product covered by this Addendum No. 4 in an equitable manner so that all purchasers have an equitable opportunity to purchase Eligible Loans pursuant to the Credit Criteria specifications outlined in this Addendum No. 4. However, Purchaser acknowledges that Seller may, in its sole and absolute discretion, allocate Eligible Loans to purchasers of the Small Business Loan Product in a manner that does not result in all participants having an equal distribution of Eligible Loans, whether across grade, term or amount.

IV. Representations, Warranties and Covenants

The following representations, warranties and covenants supplement those contained in Section 4.2 of the Master Loan Purchase Agreement with respect to Purchased Loans satisfying the Credit Criteria outlined in this Addendum No. 4:

(a) Seller shall provide written notification to Purchaser at least ten (10) Business Days prior to any material changes or modifications to the Credit Criteria applicable to this Addendum No. 4. In addition to the notice required pursuant to this Section IV(a), Seller agrees to provide or otherwise make available to Purchaser a copy of the Credit Criteria then in effect upon Purchaser's reasonable request.

(b) The Purchased Loan is supported by a Personal Guaranty executed and delivered by a guarantor.

(c) The guarantor making a Personal Guaranty in respect of such Purchased Loan has represented that he or she (1) is a U.S. citizen or permanent resident, or living in the U.S. on a valid, long-term visa; (2) is at least the age of majority in his or her state of residence; and (3) has a U.S. social security number; and to Seller's actual knowledge, without independent investigation, no such guarantor representation is untrue.

(d) The applicable Borrower in respect of such Purchased Loan has represented that it has an account at a U.S. financial institution with a routing transit number; and to Seller's actual knowledge, without independent investigation, such Borrower representation is not untrue. In addition, the Borrower in respect of such Purchased Loan has represented that it has a valid email account; and to Seller's actual knowledge, without independent investigation, such Borrower representation is not untrue.

(e) The applicable Borrower of such Purchased Loan has represented that the proceeds of such Purchased Loan will be used only for a business, commercial, or agricultural purpose, including, without limitation, debt consolidation/refinance, inventory purchase, equipment purchase, working capital, remodel, acquisition of business location, marketing, emergency repairs, or other business purpose; and to Seller's actual knowledge, without independent investigation, no such Borrower or guarantor representation is untrue.

(f) Based upon the information provided by the applicant, the Borrower of the Purchased Loan is a corporation, partnership, association, or similar entity, and not an individual. For purposes of this Section IV(f), a single member limited liability company or other entity owned or operated by or passing through to an individual shall be deemed an entity and not an individual.

(g) The Purchased Loan is not a revolving line of credit or similar credit facility and no obligation to make any future advance to the Borrower exists or is contemplated with respect to such Purchased Loan.

(h) As of the applicable Origination Date, the Purchased Loan is fully amortizing with payments due monthly.

V. Termination

The following provision supplements those contained in Section 8.2(a) of the Master Loan Purchase Agreement with respect to Purchased Loans satisfying the Credit Criteria outlined in this Addendum No. 4:

(a) Purchaser reserves the right to terminate this Addendum No. 4 immediately upon written notice to Seller within five (5) Business Days of receipt of the notice set forth in Section IV(a) of this Addendum No. 4. For the avoidance of doubt, the Master Loan Purchase Agreement and any other outstanding Addenda shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum No. 4 as of the last date written below.

PURCHASER:	SELLER:
[_____]	**LENDINGCLUB CORPORATION**
By: _____	By: _____
Name:	Name:
Title:	Title:
Date:	Date:

EXHIBIT A-1

PURCHASE INSTRUCTIONS

Pursuant to Section 2 of the Master Loan Purchase Agreement, dated as of [_____], 20__, between LendingClub Corporation ("Seller") and [_____] ("Purchaser"), Purchaser provides these Purchase Instructions, which Purchase Instructions shall supersede any and all prior Purchase Instructions.

Purchaser wishes to make Purchase Commitments for Eligible Loans across Loan grades and terms in accordance with the following percentages (such percentages reflecting the target distribution of the outstanding principal amounts of each Loan grade and term in the applicable underlying Purchaser Online Account) with respect to its participation in the:

☐ **Prime Loan Product/Select Program (Addendum No. 1)**
☐ **Super Prime Loan Product (Addendum No. 2)**

GRADE:

Grade AA (Not available in 5yr term)	Grade A	Grade B	Grade C	Grade D	Grade E
____%	____%	____%	____%	____%	____%

TERM:

____ % 24-Month + (AA and A product only)	____ % 36-Month +	____% 60-Month +	____% 84-Month (AA product only) = 100%

ADDITIONAL INSTRUCTIONS (OPTIONAL):

- _____
- _____

PURCHASER:
[_____]

By: _____
Name:

ACCEPTED BY SELLER:
LENDINGCLUB CORPORATION

By: _____
Name:

Title:	Title: Date:

EXHIBIT A-2

SCALE PROGRAM PURCHASE INSTRUCTIONS

Pursuant to Section 2 of the Master Loan Purchase Agreement, dated as of [_____] (as may be amended, supplemented or otherwise modified from time to time, the "Purchase Agreement"), by and between [_____] ("Purchaser") and LendingClub Corporation ("LendingClub"), as seller (in such capacity, "Seller"), Purchaser provides these Scale Program Purchase Instructions with respect to Purchase Commitments for Scale Program Loans only. All terms used and not otherwise defined herein shall have the meaning set forth in the Purchase Agreement.

Purchaser wishes to make Purchase Commitments for Scale Program Loans across Loan grades and terms in accordance with the following percentages (such percentages reflecting the target distribution of the aggregate initial principal balance of the Scale Program Loans for which Seller shall use commercially reasonable efforts to make Purchase Commitments on behalf of Purchaser during each Month). For the avoidance of doubt, these Scale Program Purchase Instructions shall be effective on the first day of the Month following the date of acceptance by Seller.

GRADE:

Grade A	Grade B	Grade C	Grade D	Grade E
____%	____%	____%	____%	____%

TERM:

36-month	60-month
____%	____%

PURCHASER:
[PURCHASER]

By: _____

ACCEPTED BY SELLER:
LENDINGCLUB CORPORATION

By: _____

Name:	Name:
Title:	Title:
	Date:

EXHIBIT 10.13

MASTER LOAN SERVICING AGREEMENT

Dated as of _____, 20_____

by and between

LENDINGCLUB CORPORATION,
as Servicer

and

[_____],
as Purchaser

This MASTER LOAN SERVICING AGREEMENT, dated as of [_____], 20[__] (the "Effective Date"), by and between LendingClub Corporation, a Delaware corporation ("LendingClub"), as servicer (in such capacity, or any successor in interest or permitted assigns in such capacity, the "Servicer") and [_____], a [_____], as a purchaser (in such capacity, the "Purchaser").

RECITALS

WHEREAS, LendingClub and Purchaser have entered into that certain Master Loan Purchase Agreement of even date herewith (the "Purchase Agreement"), pursuant to which Purchaser will acquire from LendingClub, from time to time, certain loans evidenced by promissory notes and the related loan documents; and

WHEREAS, Purchaser desires that LendingClub service the loans acquired by Purchaser pursuant to the terms of the Purchase Agreement, and LendingClub and Purchaser desire to set forth the terms and conditions under which LendingClub will service such loans on behalf of Purchaser and its successors and assignees.

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth, and for other good and reasonable consideration, the receipt and adequacy of which are hereby acknowledged, Purchaser and Servicer hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Defined Terms.

As used in this Agreement, the following terms shall have the meanings set forth below:

"Accepted Servicing Practices" means, with respect to each Loan, the servicing, administration and collections with respect to such Loan in the same manner and with the same care, skill, prudence and diligence with which Servicer services and administers loans similar to, such Loan in the ordinary course of its business, and in all events consistent with Applicable Law, the terms of the Loan Documents and commercially reasonable servicing practices in the loan servicing industry. Notwithstanding the foregoing, (i) referral of a Delinquent Loan to a Collection Agent shall be deemed to constitute commercially reasonable servicing practices, though Servicer shall have no obligation to make such a referral; (ii) Servicer shall have the right, at any time and from time to time and in a manner otherwise consistent with the Accepted Servicing Practices, to amend or waive any term of such Loan or, in the case of a Loan that is more than 120 days Delinquent, to cancel such Loan, in each case without the consent of Purchaser, provided that such amendment or waiver is, in Servicer's reasonable determination, a practical way to obtain a reasonable recovery from such Loan; and (iii) Servicer shall not be prevented from implementing new programs, whether on an intermediate, pilot or permanent basis, or on a regional or nationwide basis, or from modifying its standards, policies and procedures with respect to the Accepted Servicing Practices as long as, in each case, Servicer does or would implement such programs or modify its standards, policies

and procedures in respect of comparable Loans serviced and administered by Servicer in the ordinary course of its business.

"ACH" has the meaning set forth in Section 3.2(f)(ii).

"Addendum" has the meaning assigned to such term in the Purchase Agreement.

"Affiliate" means, with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Persons, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement" means this Master Loan Servicing Agreement, including all exhibits and schedules attached hereto or delivered in connection herewith, as such agreement may be amended, supplemented and modified from time to time.

"AML-BSA Laws" means, collectively, (i) the Bank Secrecy Act of 1970, as supplemented by the USA Patriot Act, and any rules and regulations promulgated thereunder; (ii) the Office of Foreign Assets Control's ("OFAC") rules and regulations regarding the blocking of assets and the prohibition of transactions involving Persons or countries designated by OFAC; and (iii) any other Applicable Laws relating to customer identification, anti-money laundering or preventing the financing of terrorism and other forms of illegal activity, each as amended.

"Ancillary Fees" means all ancillary servicing type fees or monies derived from or paid with respect to the Loans after the Purchase Date to the extent not otherwise prohibited by this Agreement, the related Loan Documents or Applicable Law, including, but not limited to, (i) all ancillary fees charged to Borrowers, including, but not limited to, insufficient fund charges, name change fees and other similar Borrower fees, and (ii) all ancillary fees charged to Purchaser, including, but not limited to, collection and other fees paid to Collection Agents (or to Servicer where Servicer has collected amounts due on a Delinquent Loan), certain Bank and other administrative fees, reporting fees and other such fees and expenses. Servicer shall be entitled to retain amounts sufficient to cover all Ancillary Fees with respect to the Loans. Notwithstanding the foregoing, Ancillary Fees do not include Servicing Fees and all payments with respect to principal, interest, default interest, origination or similar fees and late fees attributable to the Loan.

"Applicable Law" and "Applicable Laws" mean all federal, state and local laws, statutes, rules, regulations and orders applicable to any Loan or any Party or relating to or affecting the servicing, collection or administration of any Loan, and all requirements of any Regulatory Authority having jurisdiction over a Party with respect to its activities hereunder, as any such laws, statutes, regulations, orders and requirements may be amended and in effect from time to time during the term of this Agreement.

"Bank" means a bank, savings association, or credit union chartered in the United States, or a foreign depository institution acting through a U.S. bank branch, regulated by and subject to the authority of a Regulatory Authority.

"Borrower" means, with respect to each Loan, each Person or other obligor (including any co-borrower, co-maker, co-signor or guarantor) who is obligated under the terms of such Loan.

"Borrower Information" means any personally identifiable information or records in any form (oral, written, graphic, electronic, machine-readable, or otherwise) relating to a Borrower, including, but not limited to: a Borrower's social security number, name, address, telephone number, account number, transactional account history or account status; the fact that the Borrower has a relationship with Purchaser or Servicer; certain information from a consumer report; and any other personally identifiable information.

"Business Day" means any day other than: (a) a Saturday or Sunday; (b) a legal or federal holiday in the United States; and (c) a day on which banking and savings and loan institutions in San Francisco, California, New York, New York, or the State of Utah are required or authorized by law or Regulatory Authority to be closed for business.

"Charge Off Date" has the meaning set forth in Section 3.2(c).

"Charge Off Policy" means the policy of Servicer for the charge off of loans included in its servicing portfolio, a complete and correct copy of which is attached hereto as Exhibit B, which policy may be modified or amended from time to time by Servicer in accordance with Accepted Servicing Practices and with notice thereof to Purchaser within five (5) Business Days (or such greater number of days as may be agreed to by Purchaser) after such modification or amendment.

"Charged Off Loan" has the meaning set forth in Section 3.2(c).

"Charged Off Loan Broker" means a broker of a Charged Off Loan, under an agreement between such broker and Servicer to which Purchaser may be contractually joined as a seller thereunder.

"Charged Off Loan Proceeds Fee" has the meaning set forth in Exhibit A to this Agreement.

"Charged Off Loan Purchaser" means a purchaser of a Charged Off Loan, under an agreement between such purchaser and Servicer to which Purchaser may be contractually joined as a seller thereunder.

"Claims Notice" has the meaning set forth in Section 5.3(b).

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Collection Agent" means Servicer, if applicable, or any Person(s) designated by Servicer for the purpose of making collections in respect of Loans; provided, that Servicer may not designate for such purpose any Person entitled to impose a statutory lien upon any Loan to secure payment for services rendered by such Person.

"Confidential Information" has the meaning set forth in Section 3.3(a).

"Delinquent" means, with respect to a Loan, the Monthly Payment due on a Due Date is not made by the close of business on the day prior to the next succeeding Due Date.

"Discloser" has the meaning set forth in Section 3.3(a).

"Disposition" has the meaning set forth in Section 6.5.

"Due Date" means, with respect to any Loan, the day of the calendar month on which the Monthly Payment is due on a Loan, exclusive of any grace period.

"Errors and Omissions Insurance" means Errors and Omissions Insurance to be maintained by Servicer in accordance with Section 3.5.

"GLB Act" means Title V of the Gramm-Leach-Bliley Act of 1999 and implementing regulations.

"Indemnified Party" has the meaning set forth in Section 5.3(c).

"Indemnified Purchaser Party" has the meaning set forth in Section 5.3(a).

"Indemnified Servicer Party" has the meaning set forth in Section 5.3(b).

"Indemnifying Party" has the meaning set forth in Section 5.3(c).

"Information Security Program" means written policies and procedures adopted and maintained to (i) ensure the security and confidentiality of Borrower Information; (ii) protect against any anticipated threats or hazards to the security or integrity of the Borrower Information; (iii) protect against unauthorized access to or use of the Borrower Information that could result in substantial harm or inconvenience to any Borrower and (iv) that fully comply with the applicable provisions of the Privacy Requirements.

"LendingClub" means LendingClub Corporation.

"Liquidated Loan" means a Loan which has been liquidated, whether by way of a payment in full, a disposition, a refinance, a compromise, a sale to a Charged Off Loan Purchaser or any other means of liquidation of such Loan.

"Liquidation Proceeds" means cash proceeds, if any, received in connection with the liquidation of a Liquidated Loan.

"Loan" means each Purchased Loan (as defined in the Purchase Agreement).

"Loan Documents" has the meaning assigned to such term in the Purchase Agreement.

"Loan Document Package" has the meaning assigned to such term in the Purchase Agreement.

"Loan Modification" means, with respect to any Loan, any waiver, modification or variance of any term or any consent to the postponement of strict compliance with any term or any other grant of an indulgence or forbearance to the related Borrower in accordance with the Accepted Servicing Practices pursuant to Section 3.1.

"Losses" has the meaning set forth in Section 5.3(a).

"Material Adverse Change" means, with respect to any Person, any material adverse change in the business, financial condition, operations, or properties of such Person that would substantially prevent or impair the Person's ability to perform any of its obligations under this Agreement (which impairment cannot be timely cured, to the extent a cure period is applicable).

"Material Adverse Effect" means, (a) with respect to a Party, (i) a Material Adverse Change with respect to such Party or any of its Affiliates taken as a whole; or (ii) a material adverse effect upon the legality, validity, binding effect or enforceability of this Agreement against such Party, or (b) with respect to a Loan, a material adverse effect upon the legality, validity, binding effect, collectability or enforceability of such Loan.

"Monthly Payment" means, with respect to any Loan, the monthly payment of principal and/or interest on a Loan.

"Multi-Party Agreement" has the meaning assigned to such term in the Purchase Agreement.

"Nonperforming Loan" means any Loan in respect of which at least two (2) Monthly Payments are Delinquent.

"Notice of Disposition" has the meaning set forth in Section 6.5.

"P&I Election Instructions" has the meaning set forth in Section 3.2(e).

"Parties" means Servicer and Purchaser together.

"Party" means either Servicer or Purchaser, as the context so requires.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, joint-stock company, trust, unincorporated organization or other entity, including any government agency, commission, board, department, bureau or instrumentality.

"Power of Attorney" has the meaning set forth in Section 3.2(d).

"Principal Prepayment" means, with respect to any Loan, any payment or other recovery of principal on such Loan which is received in advance of the scheduled Due Date for the payment of such principal amount.

"Privacy Requirements" means (i) Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. 6801 *et seq.;* (ii) federal regulations implementing such act and codified at 12 CFR Parts 40, 216, 332, and 573 and 16 C.F.R. Part 313; (iii) Interagency Guidelines Establishing Standards For

Safeguarding Obligor Information and codified at 12 C.F.R. Parts 30, 208, 211, 225, 263, 308, 364, 568, and 570, and 16 C.F.R. Part 314; and (iv) other applicable federal, state and local laws, rules, regulations, and orders relating to the privacy and security of Borrower Information including, but not limited to, information security requirements promulgated by the Massachusetts Office of Consumer Affairs and Business Regulation and codified at 201 C.M.R. Part 17.00.

"Proceeds" has the meaning set forth in Section 3.2(e).

"Prohibited Disposition" has the meaning set forth in Section 6.5.

"Promissory Note" means, with respect to each Loan, the note or other evidence of the indebtedness of a Borrower.

"Purchase Agreement" means the Purchase Agreement as defined in the recitals above, as the same may be amended or otherwise modified from time to time.

"Purchase Date" means, with respect to each Loan, the date that such Loan is purchased by Purchaser under the Purchase Agreement.

"Purchaser" has the meaning set forth in the introductory paragraph.

"Purchaser Claims Notice" has the meaning set forth in Section 5.3(a).

"Purchaser Event of Default" has the meaning set forth in Section 7.1(c).

"Purchaser Online Account" means each online account established by Purchaser, as described in the Purchase Agreement.

"Recipient" has the meaning set forth in Section 3.3(a).

"Regulatory Authority" means any federal, state, county, municipal or local governmental or regulatory authority, agency, board, body, commission, instrumentality, court, tribunal or quasi-governmental authority having jurisdiction over a Party.

"Representatives" has the meaning set forth in Section 3.3(a).

"Servicer" has the meaning set forth in the introductory paragraph.

"Servicer Claims Notice" has the meaning set forth in Section 5.3(b).

"Servicer Employees" has the meaning set forth in Section 3.5.

"Servicer Event of Default" has the meaning set forth in Section 7.1(b).

"Servicer Physical Payment Address" means Servicer's address where it maintains its books and records for the Servicing Files and, with respect to LendingClub in its capacity as Servicer, is (as of the Effective Date): 595 Market St. #200, San Francisco, CA 94105.

"Servicing Compensation" means the compensation payable to Servicer hereunder consisting of (a) the Servicing Fee, (b) the Ancillary Fees and (c) the Charged Off Loan Proceeds Fee, if any.

"Servicing Fee" shall have the meaning assigned thereto in Exhibit A attached to this Agreement.

"Servicing File" means, with respect to each Loan, the items, documents, files and records pertaining to the servicing of such Loan, including, but not limited to, the computer files, data tapes, books, records, notes, copies of the Loan Documents and all additional documents generated as a result of or utilized in originating and/or servicing such Loan, which are delivered to or generated by Servicer, but excluding any underlying proprietary information of Servicer of a type not specifically associated with such Loan.

"Servicing Rights" means, with respect to any Loan, any and all of the following rights arising under this Agreement: (a) any and all rights to service such Loan; (b) the rights to payment of the Servicing Compensation (including any collection fees) with respect to such Loan; (c) the rights to all agreements or documents creating, defining or evidencing any such servicing rights to the extent they relate to such servicing rights and all rights of Servicer thereunder; (d) the rights to collect all payments of the Servicing Compensation (including any collection fees) as provided herein; and (e) the rights to maintain and use any and all Servicing Files and other data and information pertaining to such Loan, or pertaining to the past, present or prospective servicing of such Loan.

"Subcontractor" means any Person to whom Servicer delegates its duties hereunder pursuant to Section 2.2 hereof, including any Charged Off Loan Purchaser or Charged Off Loan Broker; provided, that Servicer may not so delegate its duties to any Person entitled to impose a statutory lien upon any Loan to secure payment for services rendered by such Person.

"Whole Loan Transfer" has the meaning assigned to such term in the Purchase Agreement.

1.2 Rules of Construction.

(a) As used in this Agreement: (i) all references to the masculine gender shall include the feminine gender (and vice versa); (ii) all references to "include," "includes," or "including" shall be deemed to be followed by the words "without limitation"; (iii) references to any law or regulation refer to that law or regulation as amended from time to time and include any successor law or regulation; (iv) references to "dollars" or "$" shall be to United States dollars unless otherwise specified herein; and (v) unless otherwise specified, all references to days, months or years shall be deemed to be preceded by the word "calendar"; (vi) all references to "quarter" shall be deemed to mean calendar quarter.

(b) The fact that any Party provides approval or consent shall not mean or otherwise be construed to mean that: (i) either Party has performed any due diligence with respect to the requested or required approval or consent, as applicable; (ii) either Party agrees that the item or information for which the other Party seeks approval or consent complies with any Applicable Law;

(iii) either Party has assumed the other Party's obligations to comply with all Applicable Law arising from or related to any requested or required approval or consent; or (iv) except as otherwise expressly set forth in such approval or consent, either Party's approval or consent impairs in any way the other Party's rights or remedies under the Agreement, including indemnification rights for any failure to comply with all Applicable Law.

ARTICLE II
PURCHASER'S ENGAGEMENT OF SERVICER TO PERFORM SERVICING

2.1 Contract for Servicing; Possession of Servicing Files.

From and after each Purchase Date and until the termination of this Agreement in accordance with Section 7.1, below, Purchaser appoints and contracts with Servicer as an independent contractor, subject to the terms of this Agreement, for the servicing of the Loans. Such appointment is irrevocable, except in the instances described in Section 7.1 below. Purchaser is the owner of the Servicing Rights relating to each Loan serviced by Servicer hereunder; provided, that Purchaser agrees not to contact, solicit or market to any Borrowers using information obtained hereunder.

Subject to the terms of this Agreement, Servicer shall have, as Purchaser's independent contractor, all Servicing Rights associated with the Loans. Servicer shall establish and maintain a Servicing File with respect to each Loan in order to service such Loan pursuant to this Agreement. Each Loan Document and the contents of the Servicing File shall immediately vest in Purchaser and shall be retained and maintained, in trust, by Servicer at the will of Purchaser in such custodial capacity only. Each Servicing File shall be appropriately identified or recorded to reflect the ownership of the related Loan by Purchaser. Servicer shall release from its custody the contents of any Servicing File retained by it only in accordance with this Agreement, and Purchaser shall thereafter hold such Servicing File in accordance with the terms of this Agreement. Servicer shall maintain the Servicing Files and the Loan Documents electronically (to the extent that original documents are not required for purposes of realization of Loan proceeds), and such files and documents may be accessed through the Purchaser Online Account(s) or at the Servicer Physical Payment Address or such other physical location as designated by Servicer in writing; provided, however, that in no event shall such physical location be located outside the continental United States.

Record title to each Loan and the related Promissory Note shall remain in the name of Purchaser. Control and ownership of each Loan shall be established by an electronic record of such Loan (to the extent that original documents are not required for purposes of realization of Loan proceeds) that: (i) contains an identifiable and authoritative copy of the Loan Documents; (ii) identifies Purchaser as the purchaser of the Loan; (iii) is made available to Purchaser through the applicable Purchaser Online Account; (iv) is not altered to add or change the identification of Purchaser as purchaser of the Loan without the participation of Purchaser; and (v) is not revised except in accordance with the terms of this Agreement, the Loan Documents, or with the written consent of Purchaser, or unless required by Applicable Law; provided, however, that notwithstanding the foregoing, Purchaser hereby provides consent to Servicer to modify the applicable Loan Documents solely as is reasonably necessary to remedy any retroactive or future technical or ministerial issues in such Loan Documents (which remediation, for the avoidance of

doubt, may include the removal of unnecessary or inapplicable Loan Documents delivered to the Purchaser Online Account(s), through Servicer's online platform or deposited in any third party document vaults), agrees to cooperate with Servicer as is reasonably required to effect the foregoing remediation, and acknowledges that such modifications shall not violate the terms of this Section 2.1. Servicer shall maintain such electronic record for each Loan as bailee and custodian on behalf of Purchaser at all times during the term of this Agreement.

2.2 Assignment and Delegation of Duties.

Servicer may assign or delegate any of its duties and obligations hereunder to any Subcontractors or Collection Agents; provided that, unless otherwise agreed to between Servicer and Purchaser, Servicer shall remain responsible for the performance of such duties and obligations in accordance with the terms of this Agreement and shall be liable for the acts or omissions of any such Subcontractor or Collection Agent in performing the same, and any such assignment or delegation will not relieve Servicer of its liabilities and responsibilities with respect to such duties and obligations under this Agreement, and shall not constitute a resignation within the meaning of Section 6.2 hereof.

2.3 Assistance and Cooperation of Purchaser.

If any actions of Purchaser are necessary or appropriate in connection with the servicing and administration of the Loans hereunder, then Purchaser shall use its commercially reasonable efforts to perform such actions in a timely manner and to cooperate with and assist Servicer in connection with such actions; provided that, so long as LendingClub (or an Affiliate or other designee of LendingClub) remains Servicer under this Agreement, neither Purchaser nor any Person acting on behalf of Purchaser shall contact any Borrower about any matter without the prior written consent of Servicer, unless Purchaser or its designee (or an Affiliate thereof) is acting as a Collection Agent on behalf of Servicer.

ARTICLE III
SERVICING OF LOANS

3.1 Servicer to Service.

Servicer, as an independent contractor, shall service and administer each Loan from and after the related Purchase Date in accordance with Applicable Law, the Accepted Servicing Practices and the terms of this Agreement and shall have full power and authority, acting alone or through the utilization of Subcontractors, to do any and all things in connection with such servicing and administration as limited by the terms of this Agreement and Accepted Servicing Practices. Servicer's general obligations with respect to the servicing of Loans hereunder shall include, without limitation, the following:

(a) maintaining a bank account, address, or other electronic or physical facility to which Borrower is instructed to send payments due under the terms of each Loan;

(b) attempting to collect Borrower payments from that address on the schedule set forth in the applicable Loan Documents;

(c) correctly posting Proceeds from all collected Borrower payments to the applicable Purchaser Online Account;

(d) maintaining a toll free number (staffed between normal business hours (Pacific Time) during its regular Business Days) for Borrowers to call with inquiries with respect to the Loans, and responding to such inquiries;

(e) responding to inquiries by any Regulatory Authority with respect to the Loans;

(f) investigating and maintaining collection procedures for delinquencies, and delivering any reports on delinquencies as may be agreed upon by the Parties; and

(g) processing final payments provided by Borrowers on the Loans.

Servicer may grant, permit or facilitate any Loan Modification for any Loan in accordance with the Accepted Servicing Practices and provided that such Loan Modification is, in Servicer's reasonable determination, a practical way to obtain a reasonable recovery from such Loan. Servicer shall notify Purchaser through the applicable Purchaser Online Account of any Loan Modification granted, permitted or facilitated by Servicer. Servicer shall not charge any Borrower any fees not contemplated in the Loan Documents without giving effect to any Loan Modifications or other amendments or modifications directed by Servicer in accordance with this Agreement.

In furtherance of the foregoing, Servicer is hereby authorized and empowered to execute and deliver on behalf of itself and Purchaser, all notices or instruments of satisfaction, cancellation or termination, or of partial or full release, discharge and all other comparable instruments, with respect to the Loans; provided, however, that Servicer shall not be entitled to release, discharge, terminate or cancel any Loan or the related Loan Documents unless (i) such Loan is a Charged Off Loan, (ii) Servicer shall have received payment in full of all principal, interest and fees owed by the Borrower related thereto, or (iii) Servicer accepts a reduced payment of principal, interest and fees owed on such Loan that is a Nonperforming Loan, in each case in accordance with the Accepted Servicing Practices. If reasonably required by Servicer, Purchaser shall furnish Servicer with any powers of attorney and other documents necessary or appropriate to enable Servicer to carry out its servicing and administrative duties under this Agreement, and Servicer shall indemnify and hold Purchaser harmless for any costs, liabilities or expenses incurred by Purchaser in connection with any use of such power of attorney by Servicer or its agents in breach of this Agreement.

Notwithstanding anything to the contrary herein, Servicer shall comply with the commercially reasonable written instructions of Purchaser necessary to comply with any regulatory requirements applicable to, or agreed to by, Purchaser or any supervisory rules agreed to or imposed on Purchaser and delivered to Servicer from time to time with respect to the servicing of the Loans. It is understood by the Parties hereto that in the event of any conflict between this Agreement and Purchaser's written instructions, Purchaser's written instructions shall control; provided, however, that in the event that there is a conflict between Purchaser's written instructions and any Applicable

Law, the Accepted Servicing Practices, or the Loan Documents, Servicer shall use commercially reasonable efforts to provide Purchaser with prompt notice of such conflict, and in such case, the Applicable Law, the Accepted Servicing Practices or the Loan Documents shall control, in the foregoing order of priority, to resolve the conflict.

3.2 Collection of Payments and Liquidation of Loans.

(a) Collection of Payments. Continuously from the related Purchase Date until the date each Loan becomes a Liquidated Loan or otherwise ceases to be subject to this Agreement, in accordance with the Accepted Servicing Practices, Servicer shall use commercially reasonable efforts to collect all Monthly Payments and any other payments due under each of the Loans when the same shall become due and payable.

(b) Loss Mitigation. With respect to any Loan, in accordance with the Accepted Servicing Practices, Servicer shall use commercially reasonable efforts to realize upon Loans in such a manner that reasonably attempts to maximize the receipt of principal and interest for Purchaser, including pursuing any Loan Modification pursuant to Section 3.1 or pursuing other loss mitigation or other default recovery actions consistent with the Accepted Servicing Practices.

(c) Charged Off Loans. Promptly following any Loan satisfying the charge off criteria as set forth in its Charge Off Policy, Servicer shall, in accordance with the Charge Off Policy, charge off the related Loan (the date of such charge off being the "Charge Off Date" and each such Loan, a "Charged Off Loan"). Servicer may, but is not required to, facilitate the sale and transfer of the Loan and the Loan Documents for such Charged Off Loan to a Charged Off Loan Purchaser (other than Charged Off Loans that are deemed non-conforming or ineligible for purchase by such Charged Off Loan Purchaser) and Servicer shall be relieved of its ongoing servicing and collection obligations hereunder, except with respect to causing any proceeds to be deposited into the applicable Purchaser Online Account pursuant to Sections 3.2(e) and (f). In connection with the sale and transfer of any Charged Off Loan pursuant to the terms of this Section 3.2(c), Purchaser (i) authorizes Servicer to remove any Loan Documents delivered to any Purchaser Online Account(s), through Servicer's online platform or deposited in any third party document vaults related to such Charged Off Loans, and agrees to cooperate with Servicer as is reasonably required to effect the foregoing removal, and (ii) hereby makes the following representations and warranties to Servicer as of the date of such sale and transfer:

(A) Purchaser is the sole legal, beneficial and equitable owner of such Loan and has good and marketable title thereto, and has the right to assign, sell and transfer such Loan free and clear of any lien, pledge, charge, claim, security interest or other encumbrance, and Purchaser has not sold, assigned or otherwise transferred any right or interest in or to such Loan and has not pledged such Loan as collateral for any debt or other purpose, except as contemplated under this Agreement or the Purchase Agreement; and

(B) Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and is in good standing with every regulatory body having jurisdiction over its activities of Purchaser, except

where the failure to do so would not reasonably be expected to have a Material Adverse Effect on Purchaser. If Purchaser is a Bank, (i) Purchaser is chartered under U.S. federal or state banking laws, or (ii) Purchaser is a foreign depository institution that will act for purposes of this Agreement solely through United States branches that are subject to U.S. federal or state banking laws.

(d) Power of Attorney. Concurrent with the signing of this Agreement, Purchaser shall deliver a fully executed, notarized Power of Attorney in the form attached hereto as Exhibit C (the "Power of Attorney"), naming Servicer as Purchaser's attorney-in-fact to: (i) carry out the terms of Section 3.2(c) in connection with the sale and transfer of a Charged Off Loan; (ii) if applicable, execute a joinder agreement joining Purchaser to an agreement or agreements between Servicer and (A) a Charged Off Loan Broker and/or (B) a Charged Off Loan Purchaser; and (iii) take any action and execute any instruments or documents that Servicer may deem reasonably necessary or advisable to transfer and convey each of the Charged Off Loans from Purchaser to a Charged Off Loan Purchaser or its successors or assignees in accordance with this Agreement and the Purchase Agreement. In order to facilitate a Charged Off Loan Purchaser in establishing proper chain of title of the related Charged Off Loan, Purchaser hereby agrees that (a) Servicer may provide the Power of Attorney to such Charged Off Loan Purchaser upon reasonable request, provided that such Charged Off Loan Purchaser has agreed to treat such Power of Attorney as confidential information and share it only as is required by Applicable Law or an applicable Regulatory Authority to establish such ownership and right; and (b) its name and status as former owner of the related Charged Off Loan may be disclosed as is necessary for such Charged Off Loan Purchaser to enforce its rights with respect to the related Charged Off Loan.

(e) Establishment of and Deposits to the Applicable Purchaser Online Account.

Prior to its purchase of Loans, Purchaser shall establish the related Purchaser Online Account(s), in accordance with the terms of the Purchase Agreement. Purchaser shall grant and provide Servicer with rights to cause funds to be deposited into and withdrawn from the Purchaser Online Account(s) for the purpose of performing its servicing functions pursuant to this Agreement.

Servicer shall cause to be deposited into the applicable Purchaser Online Account within four (4) Business Days of the receipt of payment by Servicer (but not by an agent of Servicer, Subcontractor or Collection Agent) the following collections received from the Loans and payments made by the related Borrowers after each Purchase Date (clauses (i) through (v) below, collectively, the "Proceeds"):

(i) all payments on account of principal on the Loans, including all Principal Prepayments;

(ii) all payments on account of interest and fees (excluding Ancillary Fees) on the Loans;

(iii) all Liquidation Proceeds;

(iv) to the extent not otherwise included in any other clauses of this Section 3.2(e), any net proceeds from the Loans whether by any Subcontractor or Collection Agent; and

(v) any other collections from the Loans and any other amounts required to be deposited or transferred into the applicable Purchaser Online Account pursuant to this Agreement;

provided, however, that Servicer or the originating Bank shall be entitled to withhold and retain any interest and fees that accrued on any Loans prior to their respective Purchase Dates. Following the deposit of Proceeds due to Purchaser into a Purchaser Online Account, Servicer will distribute or reinvest principal and interest Proceeds in accordance with Purchaser's elections set forth on Exhibit D to this Agreement (the "P&I Election Instructions") with respect to all Loans. The P&I Election Instructions provided by Purchaser to Servicer in connection with the execution of this Agreement shall be effective as of the date they are accepted by Servicer in writing and will apply for each subsequent calendar month during the term of this Agreement, unless superseded by new P&I Election Instructions provided by Purchaser to Servicer.

Notwithstanding the above, Liquidation Proceeds due to Purchaser from the sale of Charged Off Loans sold on behalf of Purchaser will be retained by Servicer until the expiration of any period during which any Charged Off Loan Purchaser is contractually permitted to require repurchase by Purchaser and/or Servicer on behalf of Purchaser under any agreement relating to the sale of Charged Off Loans to which Purchaser and/or Servicer on behalf of Purchaser is a party.

In the event that Servicer receives any payments on any Loans directly from or on behalf of the Borrower or any payments at a Servicer Physical Payment Address, Servicer shall receive all such payments in trust for the sole and exclusive benefit of Purchaser, and shall cause to be deposited into the applicable Purchaser Online Account within six (6) Business Days of receipt by Servicer (but not by an agent of Servicer, Subcontractor or Collection Agent) all such payments described in this Section 3.2.

Notwithstanding the foregoing, (a) payments in the nature of Servicing Compensation may be retained by Servicer and need not be deposited into the Purchaser Online Account(s), and (b) Servicer may net any amounts that it is entitled to hereunder against any funds for deposit to the Purchaser Online Account(s) in accordance with Section 3.2(f). Any benefit derived from funds deposited into the Purchaser Online Account(s) shall accrue to the benefit of Purchaser.

(f) Permitted Netting and Withdrawal of Proceeds.

Servicer shall, from time to time, be allowed to offset against Proceeds prior to deposit into the applicable Purchaser Online Account and, if necessary, withdraw from the applicable Purchaser Online Account funds for the following purposes:

(i) to pay itself the earned and unpaid Servicing Compensation on such dates as determined by Servicer, subject to providing prior notice as described below; or

(ii) to remove funds transferred in error or funds that are required to be returned for any reason (including for the avoidance of doubt, a Borrower's failed automated clearing house ("ACH") payment or a Borrower's ACH payment that is returned after settlement), subject in each case to providing information regarding the offset or withdrawal as described below.

In the case of clause (i) above, prior to the netting or withdrawal or, in the case of clause (ii) above, within five (5) Business Days after the netting or withdrawal, Servicer shall provide Purchaser with information regarding any netting or withdrawal of funds subject to clauses (i) or (ii) above, together with reasonable supporting details. Servicer shall keep and maintain, in a digital format reasonably acceptable to Purchaser, separate accounting records, on a Loan by Loan basis, for the purpose of substantiating any deposits into and withdrawals from the applicable Purchaser Online Account or netting of Proceeds as permitted above.

(g) Credit/Other Reporting.

Servicer shall accurately and fully furnish, in accordance with the Fair Credit Reporting Act and its implementing regulations, as well as Servicer's own policies and practices, accurate and complete information (e.g., favorable and unfavorable) on its Borrower credit files to each of the following credit repositories, as applicable: Trans Union, LLC, Experian Information Solution, Inc. and Equifax, Inc.

Servicer shall deliver or otherwise make available to Purchaser or its designee the following reports in a digital format during the term of this Agreement:

(i) a monthly statement with respect to the previous month that includes a list of all Loans and the delinquency status of all Loans, including a list of any Loans that were fully repaid or became Charged Off Loans during such month, which statement will be delivered within the first fifteen (15) days of each month;

(ii) a daily report listing certain characteristics of any Loans; and

(iii) such other information as may be reasonably agreed to by the Parties.

3.3 Confidentiality/Protecting Customer Information.

(a) Confidential Information.

(i) During the term of this Agreement, a Party (the "Recipient") may receive or have access to certain information of the other Party (the "Discloser") including, though not limited to, records, documents, proprietary information, technology, software, trade secrets, financial and business information, or data related to such other Party's products (including the discovery, invention, research, improvement, development, manufacture, or sale thereof), processes, or general business operations (including sales,

costs, profits, pricing methods, organization, employee or customer lists and process), whether oral, written, or communicated via electronic media or otherwise disclosed or made available to a Party or to which a Party is given access pursuant to this Agreement by the other Party, and any information obtained through access to any information assets or information systems (including computers, networks, voice mail, etc.), that, if not otherwise described above, is of such a nature that a reasonable person would believe to be confidential (together, "Confidential Information"). In addition to the foregoing, this Agreement shall also be deemed to be "Confidential Information." Recipient shall protect the disclosed Confidential Information by using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use, dissemination, or publication of the Confidential Information as Recipient uses to protect its own Confidential Information of a like nature. Recipient's obligations shall only extend to (a) information that is marked as confidential at the time of disclosure, (b) information that is unmarked (e.g., orally, visually or tangibly disclosed) but which the Discloser informs the Recipient should be treated as confidential at the time of disclosure, or (c) information that a reasonable person would understand to be confidential. This Agreement imposes no obligation upon Recipient with respect to information that: (1) was in Recipient's possession before receipt from Discloser as evidenced by its books and records prior to the receipt of such information; (2) is or becomes a matter of public knowledge through no fault of Recipient, or its employees, consultants, advisors, officers or directors or Affiliates; (3) is rightfully received by Recipient from a third party without a duty of confidentiality; (4) is disclosed by Discloser to a third party without a duty of confidentiality on the third party; (5) is independently developed by Recipient without reference to the Confidential Information; (6) is disclosed under operation of law (including in connection with any applicable court order (to which either Recipient or a counter-party of Recipient is subject), law, or regulation, or a regulatory examination of either Party or any of its Affiliates); or (7) is disclosed by Recipient with Discloser's prior written approval. In addition to the foregoing, Purchaser covenants that it will not use, in violation of any Applicable Law, any material non-public information that has been provided to it by Servicer in Purchaser's decision to invest in any securities issued by Servicer, provided that the Loans shall not be considered securities for the purposes of this Section 3.3(a). Recipient may disclose Confidential Information to its officers, directors, employees, trustees, members, partners, potential and existing financing sources (including, with respect to Purchaser, any potential or existing investor in, and Person acting as a trustee or service provider in connection with, asset-backed securities for which the Loans are included in the collateral or trust assets), advisors or representatives (including, without limitation, attorneys, accountants, insurers, rating agencies, consultants, bankers, financial advisors, custodian and backup servicer) (collectively, "Representatives") who need to have access to such

Confidential Information provided that such Representatives are subject to a confidentiality agreement or any other agreement containing applicable confidentiality provisions which shall be consistent with and no less restrictive than the provisions of this Section 3.3. Servicer may disclose the Power of Attorney to the extent permitted under Section 3.2(d) of this Agreement. Recipient shall be responsible for any breach of this Section 3.3(a) by any of its Representatives.

(ii) For so long as LendingClub (or an Affiliate or other designee of LendingClub) is Servicer, prior to the termination of this Agreement, if Purchaser is, becomes, or has or hereafter acquires a [___] percent ([___]%) or greater equity interest (including in the form of convertible debt, warrants or options) interest in, an entity that could reasonably be determined to compete with LendingClub in facilitating, providing and acquiring loans, securitizing, selling or servicing loans or investing in companies that do the foregoing or otherwise engages in businesses similar to LendingClub then Purchaser shall provide prompt written notice to LendingClub of such interest.

(b) Additional Confidentiality and Security. In addition to its general obligation to comply with Applicable Law and the obligations of Section 3.3(a), the Purchaser shall also adhere to the following requirements regarding the confidentiality and security of Borrower Information and Loan Documents:

(i) *Protection And Security Of Individual Borrower Information.*

(1) the Purchaser shall maintain at all times an Information Security Program.

(2) the Purchaser shall assess, manage, and control risks relating to the security and confidentiality of Borrower Information, and shall implement the standards relating to such risks in the manner set forth in the applicable provisions of the Privacy Requirements.

(3) Without limiting the scope of the above, the Purchaser shall use at least the same physical and other security measures to protect all Borrower Information in the Purchaser's possession or control, as the Purchaser uses for its own confidential and proprietary information.

(4) At Servicer's reasonable request, Servicer may review and request details with respect to Purchaser's Information Security Program.

(ii) *Compliance With Privacy Requirements.* The Purchaser shall comply with all applicable Privacy Requirements.

(iii) *Unauthorized Access to Borrower Information.* Purchaser will provide Servicer with notice of any violation of the GLB Act by Purchaser or any

actual security breach that includes Borrower Information, in each case to the extent that Purchaser has actual knowledge of such violation or breach and if and to the extent such notice to the Borrower is required by Applicable Law.

The Parties agree that any breach or threatened breach of this Section 3.3(b) or Section 3.4 of this Agreement could cause not only financial harm, but also irreparable harm to Servicer; and that money damages may not provide an adequate remedy for such harm. In the event of a breach or threatened breach of this Section 3.3(b) or Section 3.4 of this Agreement by Purchaser, Servicer shall, in addition to any other rights and remedies it may have, be entitled to (1) seek equitable relief, including, without limitation, an injunction (without the necessity of posting any bond or surety) to restrain such breach; and (2) pursue all other remedies Servicer may have at law or in equity.

Following the termination of this Agreement, each Party agrees that it will destroy all copies of Confidential Information of the other Party, without retaining any copies thereof, and destroy all copies of any analyses, compilations, studies or other documents prepared by it or for its use containing or reflecting any Confidential Information; provided, however, that notwithstanding the foregoing, each Party may retain such limited copies or materials containing Confidential Information of the other Party and Borrower Information for customary document retention and audit purposes or as required by Applicable Law. Any Confidential Information retained pursuant to this provision shall remain subject to the terms of this Agreement.

3.4 No Use of Borrower Information.

In the course of purchasing and holding Loans, Purchaser may have access to certain Borrower Information. Purchaser (i) will not utilize, and will not permit any Affiliate to utilize, Borrower Information for any purpose not in connection with the transactions contemplated under this Agreement, and (ii) will not contact any Borrower for any purpose. Purchaser agrees that Borrower Information will not be disclosed or made available to any third party, agent or employee for any reason whatsoever, other than with respect to: (1) Purchaser's authorized employees, agents or representatives on a "need to know" basis in order for Purchaser to perform its obligations under this Agreement and other agreements related to the Loans, provided that such agents or representatives are subject to a confidentiality agreement which shall be consistent with and no less restrictive than the provisions of this Article III; and (2) as required by Applicable Law or as otherwise permitted by this Agreement, either during the term of this Agreement or after the termination of this Agreement, provided that, prior to any disclosure of Borrower Information as required by Applicable Law, Purchaser shall, if permitted by Applicable Law, (I) not disclose any such information until it has notified Servicer in writing of all actual or threatened legal compulsion of disclosure, and any actual legal obligation of disclosure promptly upon becoming so obligated, and (II) cooperate to the fullest extent possible with all lawful efforts by Servicer to resist or limit disclosure. To the extent that Purchaser maintains or accesses any Borrower Information, Purchaser shall comply with all Applicable Law regarding use, disclosure and safeguarding of any and all consumer information.

3.5 Insurance.

Servicer shall maintain, at its own expense, a fidelity bond and "Errors and Omissions" insurance, with broad coverage on all officers, employees or other persons under Servicer's direct control acting in any capacity requiring such Persons to handle funds, money, documents or papers relating to the Loans (but excluding any Subcontractors and Collection Agents) ("Servicer Employees"). Any such fidelity bond and Errors and Omissions Insurance policy shall protect and insure Servicer against losses, including forgery, theft, embezzlement, fraud, errors and omissions and negligent acts of such Servicer Employees. No provision of this Section 3.5 requiring such Errors and Omissions Insurance policy shall diminish or relieve Servicer from its duties and obligations as set forth in this Agreement.

Servicer shall (on behalf of itself and its Affiliates and Subcontractors) at all times and at its sole cost and expense, also keep in full force and effect until one (1) year after termination of this Agreement, (i) comprehensive general liability insurance policies providing coverage in an amount totaling at least [_____] ($[_____]) (satisfied through any combination of primary and secondary policies and including any umbrella policy) and (ii) workers compensation insurance in compliance with Applicable Law.

Unless otherwise agreed to by Purchaser, all insurance policies will be with insurers rated a minimum of "A minus" by A.M. Best.

Upon the request of Purchaser, Servicer shall cause to be delivered to Purchaser a certificate of insurance evidencing such required coverages.

3.6 Bankruptcies.

In the event that a Borrower files any bankruptcy proceedings, Servicer may (but shall not be required to) represent Purchaser's interest in any bankruptcy proceedings relating to the Borrower in accordance with the Accepted Servicing Practices.

ARTICLE IV
GENERAL SERVICING PROCEDURES

4.1 Satisfaction of Loans and Release of Loan Documents.

Upon the receipt of all payments in satisfaction of any Loan in accordance with Section 3.2 of this Agreement, Servicer shall release or otherwise deliver a satisfaction, cancellation or termination notice or instrument for the related Loan Documents to the Borrower. Servicer shall provide appropriate notification to the Borrower of the satisfaction in full of such Loan and the cancellation and/or termination of the related Promissory Note, as required by Applicable Law or any Regulatory Authority, or otherwise in accordance with the provision of services hereunder, within the time frame so prescribed.

4.2 Servicing Compensation.

Servicer and Purchaser acknowledge and agree that as consideration to Servicer for servicing the Loans subject to this Agreement, Purchaser shall be responsible for paying Servicer all Servicing

Compensation in respect of each Loan that is the subject of this Agreement during any month or part thereof, in each case as and when the same shall become due and payable to Servicer.

ARTICLE V
REPRESENTATIONS, WARRANTIES AND COVENANTS

5.1 Representations and Warranties of Servicer.

As a condition to the consummation of the transactions contemplated hereby, Servicer hereby makes the following representations and warranties, or covenants, as applicable, at all times that Servicer continues to service Loans hereunder, to Purchaser:

(a) Due Organization, Licensing and Qualification. Servicer is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware to carry on its business as now being conducted and is qualified and in good standing in each state where a property is located if the laws of such state require qualification in order to conduct business of the type conducted by Servicer, except to the extent that the failure to obtain or maintain any such qualification would not reasonably be expected to have a Material Adverse Effect with respect to Servicer.

(b) Authority and Binding Agreement. Servicer has the full corporate power and authority to execute and deliver this Agreement and to perform in accordance herewith; the execution, delivery and performance of this Agreement (including all instruments of transfer to be delivered pursuant to this Agreement) by Servicer, and the consummation of the transactions contemplated hereby have been duly and validly authorized; this Agreement evidences the valid, binding and enforceable obligation of Servicer.

(c) Ability to Perform. Assuming full and complete performance by Purchaser with its covenants and obligations hereunder, Servicer does not believe, nor does it have any reason or cause to believe, that it cannot perform in all material respects its covenants and obligations contained in this Agreement.

(d) No Consent or Approval Required. No consent, approval, license, registration, authorization or order of any Regulatory Authority is required for the execution, delivery and performance by Servicer of, or compliance by Servicer with this Agreement, including the servicing of each Loan hereunder, or if required, such consent, approval, license, registration, authorization or order has been obtained prior to the related Purchase Date for such Loan except where the failure to obtain such consent, approval, license, registration, authorization or order would not be expected to have a Material Adverse Effect with respect to Servicer or the Loans (but only with respect to the Loans as to which Servicer is not able to service as a result of such failure).

(e) No Proceedings. There are no judgments, proceedings or investigations pending against Servicer or, to the best knowledge of Servicer, threatened in writing against Servicer, before any court, regulatory body, administrative agency or other governmental instrumentality having jurisdiction over Servicer or its properties: (i) asserting the invalidity of this Agreement; (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement; or (iii) seeking any determination or ruling that could reasonably be expected to have a Material Adverse Effect with respect to Servicer or the Loans (but only with respect to the Loans as to which Servicer is not able to service as a result of such determination or ruling).

(f) Accuracy of Information. The outstanding principal balance, payment history and charge off status of such Loan made available by Servicer to Purchaser through the Purchaser Online Account or through Servicer's online platform as to such Loan is reported accurately in all material respects; provided, that Servicer does not make any representation or warranty as to the correctness of any information provided by any Borrower except as contemplated by Section 4.2(u) of the Purchase Agreement.

(g) Ordinary Course of Business. The consummation of the transactions contemplated by this Agreement is in the ordinary course of business of Servicer.

(h) No Conflicts. Neither the execution and delivery of this Agreement, the acquisition and performance of the servicing responsibilities by Servicer, the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, will conflict with or result in a breach of any of the terms, conditions or provisions of Servicer's charter or by-laws or any legal restriction or any agreement or instrument to which Servicer is now a party or by which it is bound, or constitute a default or result in an acceleration under any of the foregoing, unless such conflict or breach could not be expected to have a Material Adverse Effect with respect to Servicer, materially impair or interfere with the ability of Servicer to service the Loans, or materially impair the aggregate value, collectability or performance of the Loans.

(i) No Default. Servicer is not in default under, and no event or condition exists that after the giving of notice or lapse of time or both would constitute an event of default under, any material mortgage, indenture, contract, agreement, judgment or other undertaking, to which Servicer is a party except where such default or event of default could not be expected to have a Material Adverse Effect with respect to Servicer or a material impairment of the ability of Servicer to service the Loans or the enforceability or collectability of the Loans.

(j) Data Integrity. All material information provided by Servicer to Purchaser through Servicer's platform relating to the servicing of each Loan is true, correct and consistent, in all material respects, with the information obtained or generated by Servicer in connection with its servicing of each such Loan, except as would not be expected to have a Material Adverse Effect with respect to Servicer. The foregoing is not intended to be a verification of any information provided by the related Borrower (A) that has been obtained in connection with the underwriting and acquisition of each such Loan or (B) that is not otherwise verified as part of the servicing of such Loan by Servicer in connection with the performance of its duties and obligations hereunder, and Servicer makes no representation or warranty as to the accuracy or truthfulness of such information. Purchaser acknowledges that it is assuming the risk of any incorrect or false information provided by a Borrower.

(k) No Material Change. There has been no Material Adverse Change with respect to Servicer that would affect Servicer's ability to perform under this Agreement since the date of Servicer's most recent financial statements, which are made publicly available through filings with the United States Securities and Exchange Commission.

(l) Compliance with Law and Accepted Servicing Practices. Servicer (i) is in material compliance with all Applicable Laws, including all applicable AML-BSA Laws, and (ii) is not in violation of any order of any Regulatory Authority or other board or tribunal, except, in the case of both (i) and (ii), where any such noncompliance or violation would not reasonably be expected to have or result in a Material Adverse Effect with respect to Servicer or a material impairment of the ability of Servicer to service the Loans or the enforceability or collectability of the Loans; and Servicer has not received any notice that Servicer is not in material compliance in any respect with any of the requirements of any of the foregoing; Servicer has maintained in all material respects all records required to be maintained by any applicable Regulatory Authority; and Servicer is in material compliance with the Accepted Servicing Practices.

(m) Solvency. Servicer is solvent and there has not been commenced by or against the Servicer any voluntary or involuntary bankruptcy petition, nor has Servicer made an offer or assignment or compromise for the benefit of creditors.

(n) Tax Returns. Servicer has filed all tax returns (federal, state and local) required to be filed by it, such tax returns are true and accurate in all material respects, and Servicer has paid or made adequate provision for the payment of all taxes and other assessments and governmental charges, except in each case as would not reasonably be expected to have or result in a Material Adverse Effect with respect to Servicer.

(o) No Modification. Servicer has not amended the terms of the Loan Documents except as permitted by and in accordance with the Accepted Servicing Practices or the Loan Documents.

5.2 Representations, Warranties and Covenants of Purchaser.

As a condition to the consummation of the transactions contemplated hereby, Purchaser hereby makes the following representations and warranties, or covenants, as applicable, at all times prior to the termination of this Agreement, to Servicer:

(a) Due Organization, Licensing and Qualification. Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and is in good standing with every regulatory body having jurisdiction over its activities, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect with respect to Purchaser. If Purchaser is a Bank, (i) Purchaser is chartered under U.S. federal or state banking laws, or (ii) Purchaser is a foreign depository institution that will act for purposes of this Agreement solely through United States branches that are subject to U.S. federal or state banking laws.

(b) Authority and Binding Agreement. Purchaser has the full corporate power and authority to execute and deliver this Agreement and to perform in accordance herewith; the execution, delivery and performance of this Agreement (including all instruments of transfer to be delivered pursuant to this Agreement) by Purchaser and the consummation of the transactions contemplated hereby have been duly and validly authorized; this Agreement evidences the valid, binding and enforceable obligation of Purchaser and all requisite corporate action has been taken by Purchaser to make this Agreement valid and binding upon Purchaser in accordance with its terms.

(c) Ability to Perform. Assuming full and complete performance by Servicer with its covenants and obligations hereunder, Purchaser does not believe, nor does it have any reason or cause to believe, that it cannot perform in all material respects its covenants and obligations contained in this Agreement.

(d) Ability to Service. To the extent that Purchaser or its designee may be designated as a Collection Agent at any time, or otherwise take any responsibility in the servicing of Loans, Purchaser or such designee has experience servicing Loans, with the facilities, procedures and experienced personnel necessary for the sound servicing of Loans hereunder.

(e) No Consent or Approval Required. No consent, approval, license, registration, authorization or order of any Regulatory Authority is required for the execution, delivery and performance by Purchaser of, or compliance by Purchaser with this Agreement, including the holding of each Loan hereunder, or if required, such consent, approval, license, registration, authorization or order has been obtained prior to the related Purchase Date for such Loan, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect on Purchaser or the Loans.

(f) Compliance with Law. Purchaser:

(i) (A) is in material compliance with all Applicable Laws, including all applicable AML-BSA Laws; (B) is not in violation of any order of any Regulatory Authority or other board or tribunal except where such violation would not reasonably be expected to have or result in a Material Adverse Effect with respect to Purchaser; and (C) has not received any notice that Purchaser is not in material compliance in any respect with any of the requirements of any of the foregoing;

(ii) has maintained in all material respects all records required to be maintained by any applicable Regulatory Authority; and

(iii) shall promptly provide to Servicer upon Servicer's reasonable request (A) identifying information and/or documentation about its directors, officers, employees, signors and/or beneficial owners as required by Servicer, including no less than annual updates to such information or annual confirmations that the information provided in the previous year remains true and correct; and (B) any additional information or documentation as is reasonably required for Servicer to comply with Applicable Laws, including but not limited to any identifying information or documentation required with respect to AML-BSA Laws.

5.3 Indemnification and Notice of Claims.

(a) Servicer's Indemnification.

(i) Indemnified Purchaser Party. Servicer shall indemnify and hold harmless Purchaser and its Affiliates, trustees, directors, officers, employees, members, managers, representatives, stockholders and agents (each, an "Indemnified Purchaser Party") from and against any claims, losses, damages, liabilities, costs and expenses (including, but not limited to, reasonable and documented attorneys' fees incurred in connection with the defense of any actual, or threatened action, proceeding or claim, or any investigations with respect thereto, but specifically excluding any fees allocable to in-house counsel) (collectively, "Losses") to the extent that such Losses directly arise out of, and are imposed upon any such Indemnified Purchaser Party by reason of, (a) any material breach by Servicer of any covenant, agreement, representation or warranty of Servicer contained in this Agreement or (b) Servicer's gross negligence or willful misconduct in the performance of its duties under this Agreement.

(ii) Exceptions. Notwithstanding Section 5.3(a)(i) above, Servicer shall have no obligation to do any of the following: (A) except for acts or omissions that constitute fraud, gross negligence or willful misconduct of Servicer or its employees or agents, indemnify any Indemnified Purchaser Party for any punitive damages or for any actual or lost profits of such Indemnified Purchaser Party, regardless of whether Servicer knew or was aware of such possible Losses; or (B) indemnify or hold harmless an Indemnified Purchaser Party from and against any Losses to the extent such Losses result from the negligence or willful misconduct of or material breach of this Agreement by any potential Indemnified Purchaser Party.

(iii) Purchaser Claims Notice. Purchaser shall be responsible for making any claim for indemnity pursuant to this Section 5.3(a) on behalf of any Indemnified Purchaser Party. Purchaser shall provide written notice (a "Purchaser Claims Notice") to Servicer describing any claim for indemnity pursuant to Section 5.3(a)(i) within sixty (60) days after the date on which Purchaser has or receives notice of or otherwise has actual knowledge of the applicable breach to the extent such breach is not otherwise known to Servicer.

(iv) Servicer Response Process. If Servicer disagrees with the claim set forth in a Purchaser Claims Notice, Servicer shall formally dispute the claim in a writing delivered to Purchaser within thirty (30) days of receipt of such Purchaser Claims Notice. If Servicer does not elect to dispute the claim, Servicer shall within sixty (60) days of its receipt of the Purchaser Claims Notice either pay the applicable indemnification amount to Purchaser and/ or other applicable Indemnified Purchaser Party.

(v) Assignment and Multi-Party Agreements. For the avoidance of doubt, (a) Purchaser hereby acknowledges that it bears the risk of non-payment by the Borrowers and associated credit-related losses in respect thereof, and indemnification shall not be available for any such non-payment or associated losses under this Agreement, (b) to the extent that any rights of Purchaser hereunder, or under the Purchase Agreement (including any executed Addenda) or any Multi-Party Agreement are assigned or otherwise transferred to a third party in accordance with the terms of this Agreement or such other agreements, as applicable, any such assignee or beneficiary shall not, unless the transfer was made in a Whole Loan

Transfer or otherwise consented to in writing by Servicer, be permitted to claim indemnification hereunder and, if the transfer was made in a Whole Loan Transfer or any such consent shall have been provided by Servicer, shall be bound by the limits on indemnification contained in this Section 5.3(a) as if such assignee or beneficiary were Purchaser, and such assignee or beneficiary may only claim indemnity in conjunction with, or in place of, Purchaser and (c) multiple recoveries for any single breach shall not be permitted.

(vi) Repurchase Obligation. Nothing in this Section 5.3 is intended to or shall limit the rights of Purchaser under Sections 7.1 and 7.2 of the Purchase Agreement.

(b) Purchaser's Indemnification. Purchaser shall indemnify and hold harmless Servicer and its Affiliates, trustees, directors, officers, employees, members, managers, representatives, stockholders and agents (each, an "Indemnified Servicer Party") from and against any Losses incurred by Servicer in connection with this Agreement to the extent that such Losses directly arise out of, and are imposed upon any such Indemnified Servicer Party by reason of, (a) any material breach by Purchaser of Sections 2.1, 2.3, 3.2, 3.3, 3.4, 4.2 or 5.2 of this Agreement or (b) Purchaser's gross negligence or willful misconduct in the performance of its duties under this Agreement. Servicer shall provide written notice (a "Servicer Claims Notice", and together with a Purchaser Claims Notice and as the context suggests, each a "Claims Notice") to Purchaser describing any claim for indemnity pursuant to this Section 5.3(b) within sixty (60) days after the date on which Servicer has or receives notice of or otherwise has actual knowledge of the applicable breach to the extent such breach is not otherwise known to Purchaser. In the case of any claim for indemnity made pursuant to this Section 5.3(b), if Purchaser does not dispute the claim made by Servicer in writing within thirty (30) days of receipt of the related Servicer Claims Notice, Purchaser shall make payment of the applicable indemnification amount to Servicer within sixty (60) days of receipt of the related Servicer Claims Notice. Notwithstanding the foregoing, Purchaser shall have no obligation to do any of the following: (i) except for acts or omissions that constitute fraud, gross negligence or willful misconduct of Purchaser or its employees or agents, indemnify any Indemnified Servicer Party for any punitive damages or for any actual or lost profits of such Indemnified Servicer Party, regardless of whether Purchaser knew or was aware of such possible Losses, or (ii) indemnify or hold harmless an Indemnified Servicer Party from and against any Losses to the extent such Losses result from the negligence or willful misconduct of or breach of this Agreement by any Indemnified Servicer Party.

(c) Notice of Claims. Each Party against whom a claim for indemnity pursuant to this Section 5.3(c) shall have been made (each, an "Indemnifying Party") shall have the right to defend the Person seeking such indemnity (each, an "Indemnified Party") with counsel of such Indemnifying Party's choice in respect of any third party claim, so long as (i) such counsel is reasonably satisfactory to the Indemnified Party, (ii) the Indemnifying Party shall have provided written notice to the Indemnified Party, within thirty (30) days after receipt by the Indemnifying Party of the related Claims Notice, indicating that the Indemnifying Party will indemnify the Indemnified Party in accordance with the terms of this Section 5.3 and (iii) the Indemnifying Party conducts the defense of the third party claim or matter actively and diligently. The Indemnified Party shall have the right to retain separate co-counsel and participate in the defense of any such

claim or matter; provided that any related attorneys' fees shall not be indemnifiable Losses unless the Indemnifying Party and the Indemnified Party are both defendants in the matter for which the indemnity is sought and the Indemnified Party shall have been advised by counsel representing the Parties that an actual conflict of interest would arise in such counsel's continued representation of both Parties. Knowledge by an Indemnified Party of any breach or non-compliance hereunder shall not constitute a waiver of such Indemnified Party's rights and remedies under this Agreement unless such Indemnified Party shall have failed to notify the applicable Indemnifying Party of such breach or non-compliance in a timely manner in accordance with the terms of this Article V. No express or implied waiver by an Indemnified Party of any default hereunder shall in any way be, or be construed to be, a waiver of any other default. The failure or delay of an Indemnified Party to exercise any of its rights granted hereunder regarding any default shall not constitute a waiver of any such right as to any other default, and any single or partial exercise of any particular right granted to an Indemnified Party hereunder shall not exhaust the same or constitute a waiver of any other right provided herein.

ARTICLE VI

ADDITIONAL PROVISIONS

6.1. Limitation on Liability of Servicer and Others.

Neither Servicer nor any of the directors, officers, employees or agents of Servicer shall have any liability to Purchaser for taking any action or refraining from taking any action in good faith pursuant to this Agreement, or for errors in judgment, provided, however, that this provision shall not protect Servicer or any such Person against any material breach of any covenants, warranties or representations made herein or any liability for Servicer's gross negligence or willful misconduct. Servicer and any director, officer, employee or agent of Servicer may rely in good faith, without investigation, on any document of any kind as prima facie evidence that such document was properly executed and submitted by any Person respecting any matters arising hereunder. Servicer shall not be under any obligation to appear in, prosecute or defend any legal action which is unrelated to its duties to service the Loans in accordance with this Agreement and which in its opinion may involve it in any expense or liability, provided, however, that Servicer may undertake any such action which it may deem necessary or desirable in respect of this Agreement and the rights and duties of the Parties hereto. In such event, notwithstanding anything to the contrary herein, Servicer shall be entitled to full and prompt reimbursement from Purchaser for the reasonable legal expenses and costs of such action.

6.2. Limitation on Resignation by Servicer. Servicer shall not resign from the obligations and duties hereby imposed on it except by mutual consent of Servicer and Purchaser or upon Servicer's reasonable determination that its duties hereunder are no longer permissible under Applicable Law and such incapacity cannot be cured by Servicer without unreasonable costs or expenses. Any such determination permitting the resignation of Servicer shall be in the reasonable discretion of Servicer.

6.3. Relationship With Customers. Purchaser acknowledges that LendingClub will maintain an ongoing relationship with the Borrower of each Loan, and Purchaser agrees that it will have no marketing rights with respect to any Borrower.

6.4. Business Continuity and Disaster Recovery Plan. Servicer shall, at its own expense, design, implement, and maintain a business continuity and disaster recovery program and viable response and recovery capabilities for the services provided hereunder. As part of its periodic assessment of availability risks, Servicer shall consider the need for geographic diversification of document storage, software/data backup storage, and workplace and systems recovery, as described in the Federal Financial Institutions Examination Council's Business Continuity Planning IT Examination Handbook. At a minimum, Servicer's core processing facilities and operations will include full weekly backup and daily incremental backup to ensure minimal exposure to systems failure. Servicer will make commercially reasonable efforts to ensure the continuity of operations. Upon Purchaser's request, Servicer shall provide a copy of its business continuity and disaster recovery program summary to Purchaser and/or permit Purchaser to review Servicer's business continuity and disaster recovery plans at Servicer's location. Servicer shall regularly, but no less than annually, test its business continuity and disaster recovery capabilities. Servicer shall update its plans in a timely manner. In the event of a natural or other disaster beyond Servicer's control that interrupts Servicer's performance of any services described hereunder for any period, Servicer shall respond to such disaster in a commercially reasonable time period in accordance with the procedures contained in the business continuity and disaster recovery plans in order to resume performance of such services.

6.5. Transfer and Notice of Transfer. In the event that Purchaser plans, intends or agrees to sell, assign, transfer, pledge, hypothecate or otherwise dispose of its interests in Loan(s) (each such action being a "Disposition"), Purchaser shall only use Servicer's publicly available information to describe Servicer and its products (including the Loans) in any such solicitation. Purchaser shall obtain Servicer's prior written consent with respect to any different or additional descriptions, information or materials concerning or relating to Servicer and its products (including the Loans) in any such solicitation. Purchaser shall provide written notice to Servicer of any proposed Disposition at least sixty (60) days prior to contacting any potential purchaser, assignee or transferee with respect to such proposed Disposition (the "Notice of Disposition"). Notwithstanding anything in the Purchase Agreement or this Agreement, Purchaser shall not make a Disposition of any Loans being serviced by Servicer to any Person if Servicer reasonably determines that such Person is or is likely to take actions that will be detrimental to Servicer's ability to continue to service such Loans in accordance with Applicable Law, Accepted Servicing Practices, Servicer's customary "know-your-customer" requirements, and/or any other Servicer policies and procedures as required by Applicable Law (a "Prohibited Disposition"). Servicer must provide written notice to Purchaser that Servicer has determined that a Disposition constitutes a Prohibited Disposition no later than sixty (60) days after Servicer receives the related Notice of Disposition. The Parties agree that any Prohibited Disposition could cause not only financial harm, but also irreparable harm to Servicer, and that money damages may not provide an adequate remedy for such harm. Accordingly, if Purchaser seeks to complete or completes a Prohibited Disposition, Servicer shall be entitled to (1) seek equitable relief, including, without limitation, an injunction (without the necessity of posting any bond or surety) to stop or reverse such Prohibited Disposition, and (2) pursue all other remedies Servicer may have at law or in equity. Unless otherwise agreed in writing by Servicer, to the extent that the Disposition is permitted under this Section 6.5, Purchaser shall cause such purchaser, assignee or transferee to agree to be bound by the standard and customary terms of Servicer's then-current form of loan servicing agreement.

ARTICLE VII

TERMINATION

7.1 Termination.

i. This Agreement shall remain in effect until the earlier of: (i) such date as all Loans become Liquidated Loans and the Purchase Agreement is no longer in effect; or (ii) the earlier termination of this Agreement in accordance with this Section 7.1.

ii. This Agreement shall be terminable at the sole option of Purchaser upon the occurrence of any of the following events, to the extent such events have a Material Adverse Effect with respect to Servicer (each, a "Servicer Event of Default"):

(i) failure by Servicer to duly observe or perform in any material respect any of its covenants, obligations or agreements set forth in this Agreement (but not any representations or warranties, which are addressed in clause (iv) below) that continues unremedied for a period of thirty (30) days after the earlier of the date upon which Servicer knew of such failure or its receipt of written

notice of such failure, requiring the same to be remedied, from Purchaser; or

(ii) a decree or order of a court or agency or supervisory authority or Regulatory Authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, including bankruptcy, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against Servicer and such decree or order shall have remained in force undischarged or unstayed for a period of thirty (30) days; or

(iii) Servicer shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to Servicer or of or relating to all or substantially all of its property; or

(iv) any representation or warranty made by Servicer shall prove to be untrue or incomplete in any material respect when made such as to create a Material Adverse Effect with respect to Servicer on a consolidated basis (or, with respect to the representations and warranties in Sections 5.1(d) and (e), a Material Adverse Effect with respect to Servicer or the Loans (but only with respect to the Loans as to which Servicer is not able to service as a result of such failure, determination or ruling, as applicable)), which continues unremedied for a period of thirty (30) days after receipt by Servicer of written notice of such failure, requiring the same to be remedied, from Purchaser; or

(v) any failure by Servicer to make any undisputed payment, transfer or deposit into the Purchaser Online Account(s) as required by this Agreement which continues unremedied for a period of five (5) Business Days after Servicer's receipt of notice of such failure from Purchaser; or

(vi) any Regulatory Authority shall have condemned, seized or appropriated, or to have assumed custody or control of, all or any substantial part of the property of Servicer, or shall have taken any action to displace the management of Servicer or to curtail its authority in the conduct of the business of Servicer, or takes any action in the nature of enforcement to remove or prohibit Servicer from acting as a servicer of loans;

Notwithstanding the foregoing, if a Servicer Event of Default only applies to (A) Loans sold to Purchaser pursuant to the terms of a particular Addendum or Addenda, (I) this Agreement shall be terminable at the sole option of Purchaser with respect to such Loans only and (II) this Agreement shall remain in full force and effect with respect to any other Loans sold to Purchaser pursuant to the terms of any other Addendum or Addenda; or (B) any other subset of the Purchaser's portfolio of Loans (rather than the portfolio of Loans as a whole), (I) this Agreement shall be terminable at

the sole option of Purchaser with respect to such Loans only and (II) this Agreement shall remain in full force and effect with respect to any other Loans sold to Purchaser.

In addition, this Agreement will automatically terminate if (A) Servicer shall make an offer or assignment or compromise for the benefit of its creditors, or (B) there shall be commenced by or against Servicer any voluntary or involuntary bankruptcy, insolvency or similar proceedings and, in the case of an involuntary proceeding, either such proceedings remain undismissed or unstayed for a period of sixty (60) days or any of the actions sought in such proceedings shall occur.

In each and every case that the Servicer Event of Default is continuing, in addition to whatsoever rights that Purchaser may have at law or equity to damages, including injunctive relief and specific performance, Purchaser may, by notice in writing to Servicer, terminate all the rights and obligations of Servicer under this Agreement with respect to the applicable Loans and in and to the servicing contract established hereby and the proceeds thereof, except as incurred prior to the effective date of such termination.

i. This Agreement shall be terminable at the sole option of Servicer, upon the occurrence any of the following events (each, a "Purchaser Event of Default"):

(vii) failure by Purchaser to duly observe or perform in any material respect any of its covenants, obligations or agreements set forth in this Agreement that continues unremedied for a period of thirty (30) days after the earlier of the date upon which Purchaser knew of such failure or its receipt of written notice of such failure, requiring the same to be remedied, from Servicer;

(viii) failure by Purchaser to satisfy its obligations to compensate Servicer for its servicing activities as set forth in this Agreement that continues unremedied for a period of thirty (30) days after the earlier of the date upon which Purchaser knew of such failure or its receipt of written notice of such failure, requiring the same to be remedied, from Servicer;

(ix) a decree or order of a court or agency or supervisory authority or Regulatory Authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, including bankruptcy, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against Purchaser and such decree or order shall have remained in force undischarged or unstayed for a period of thirty (30) days; or

(x) any representation or warranty made by Purchaser shall prove to be untrue or incomplete in any material respect when made such as to create a Material Adverse Effect with respect to Purchaser on a consolidated basis, which continues unremedied for a period of thirty (30) days after receipt by Purchaser of written notice of such failure, requiring the same to be remedied, from Servicer; or

(xi) Purchaser shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to Purchaser or of or relating to all or substantially all of its property; or

(xii) (A) Purchaser shall make an offer or assignment or compromise for the benefit of its creditors, or (B) there shall be commenced by or against Purchaser any voluntary or involuntary bankruptcy, insolvency or similar proceedings and, in the case of an involuntary proceeding, either such proceedings remain undismissed or unstayed for a period of sixty (60) days or any of the actions sought in such proceedings shall occur. Purchaser shall provide Servicer with written notice immediately upon the occurrence of a Purchaser Event of Default pursuant to this clause (vi) (without regard for the sixty (60) day cure period with respect to involuntary proceedings under clause (B)).

i. Upon receipt by either Party of such written notice of termination, or upon automatic termination, all authority and power of Servicer under this Agreement, whether with respect to the applicable Loans or otherwise, shall pass to and be vested in Purchaser or its designee, and all Servicing Rights with respect to Loans shall be immediately assigned, transferred and conveyed to Purchaser or its designee. Servicer shall prepare, execute and deliver to Purchaser (or its designee) any and all applicable documents and other instruments, place in such successor's possession all applicable Servicing Files, and, in a timely manner, do or cause to be done all other acts or things necessary or appropriate to effect the purposes of such notice of termination, including but not limited to the transfer of the applicable Loans and related Loan Documents and servicing data. Servicer shall, in a timely manner, cooperate with Purchaser (or its designee) in effecting the termination of the servicing responsibilities and rights hereunder and the transfer of the servicing functions and the Servicing Files, including without limitation, the transfer to such successor for administration by it of all cash amounts which shall at the time be credited by Servicer to the applicable Purchaser Online Account(s) or thereafter received with respect to the applicable Loans. Servicer shall be entitled only to any applicable accrued and unpaid Servicing Compensation through the date upon which Servicer's duties and responsibilities expire pursuant to Section 7.2.

ii. By a written notice, either Party may waive any default by the other in the performance of its obligations hereunder and its consequences. Upon any waiver of a past default, such default shall cease to exist. No such waiver shall extend to any subsequent or other default or impair any right consequent thereto except to the extent expressly so waived.

7.2 Transfer to Purchaser.

Simultaneously with the termination of Servicer's responsibilities and duties under this Agreement pursuant to Section 7.1, Purchaser shall (i) succeed to and assume all of Servicer's responsibilities, rights, duties and obligations under this Agreement simultaneously with the termination of Servicer's responsibilities, duties and liabilities under this Agreement with respect to the applicable Loans or (ii) appoint a successor to succeed to all rights and assume all of the responsibilities, duties and liabilities of Servicer under this Agreement simultaneously with the

termination of Servicer's responsibilities, duties and liabilities under this Agreement with respect to the applicable Loans. In the event that Servicer's duties, responsibilities and liabilities under this Agreement should be terminated pursuant to Section 7.1, Servicer shall discharge such duties and responsibilities during the period from the date it acquires knowledge of such termination until the earlier of: (x) the effective date it receives notice from Purchaser that a successor servicer has assumed such duties and responsibilities; or (y) the date that is thirty (30) days following the date of notification of termination; with the same degree of diligence and prudence that it is obligated to exercise under this Agreement, and shall take no action whatsoever that might impair or prejudice the rights or financial condition of its successor.

Within thirty (30) days of a termination pursuant to Section 7.1, Servicer shall prepare, execute and deliver to Purchaser or the successor entity and place in Purchaser's or such successor's possession all applicable Servicing Files, and, in a timely manner, do or cause to be done all other acts or things necessary or appropriate to effect the purposes of such notice of termination, including but not limited to the transfer of the applicable Servicing Files and related documents. Servicer shall, in a timely manner, cooperate with Purchaser in effecting the termination of Servicer's responsibilities and rights hereunder and the transfer of servicing responsibilities to Purchaser or the successor entity, including without limitation, the transfer to Purchaser or the successor entity for administration by it of all cash amounts which shall at the time be credited by Servicer to the applicable Purchaser Online Account(s) or thereafter received with respect to the applicable Loans with the exception of cash amounts representing Servicing Compensation for which Servicer is entitled to pursuant to Section 7.1(e).

7.3 Survival.

The provisions of Sections 3.3, 5.3, 8.3, 7.3, 8.4, 8.5 and 8.14 shall survive any termination of this Agreement.

ARTICLE VIII
MISCELLANEOUS PROVISIONS

8.1. Notices.

All demands, notices and communications hereunder shall be in writing to the respective parties as follows:

If to Purchaser:

[Address]
Attention:

Email:

If to Servicer:

LendingClub Corporation

595 Market St. #200
San Francisco, CA 94105
Attention: Chief Capital Officer
Email: vkay@lendingclub.com

With a copy to (which will not constitute notice):

LendingClub Corporation
595 Market St. #200
San Francisco, CA 94105
Attention: General Counsel
Email: bpace@lendingclub.com

or to such other address as the Party to whom notice is given may have previously furnished to the others in writing in the manner set forth above. Any notice or communication delivered in person will be deemed effective upon delivery. Any notice or communication sent by facsimile, email, or air courier will be deemed effective on the first Business Day following the day on which such notice or communication was sent. Any notice or communication sent by registered or certified mail will be deemed effective on the third Business Day at the place from which such notice or communication was mailed following the day on which such notice or communication was mailed.

8.2. Severability.

Any part, provision, representation or warranty of this Agreement that is prohibited or not fully enforceable in any jurisdiction, will be ineffective only to the extent of such prohibition or unenforceability without otherwise invalidating or diminishing either Party's rights hereunder or under the remaining provisions of this Agreement in such jurisdiction, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable in any respect any such provision in any other jurisdiction.

8.3. Place of Delivery and Governing Law.

This Agreement shall be deemed in effect when a fully executed counterpart thereof is received by Purchaser in the State of Delaware and shall be deemed to have been made in the State of Delaware.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF.

8.4. Submission to Jurisdiction; Waiver of Jury Trial.

EACH PARTY EXPRESSLY AND IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF DELAWARE FOR PURPOSES OF ALL

LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT, OR ANY DOCUMENT DELIVERED PURSUANT HERETO BY THE MAILING OF A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO ITS RESPECTIVE ADDRESS SPECIFIED AT THE TIME FOR NOTICES UNDER THIS AGREEMENT.

EACH PARTY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

8.5. LIMITATION OF LIABILITY.

EXCEPT FOR ACTS OR OMISSIONS THAT CONSTITUTE FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS RESPECTIVE AFFILIATES, BENEFICIARIES, ASSIGNEES OR SUCCESSORS (BY ASSIGNMENT OR OTHERWISE) BE LIABLE TO THE OTHER PARTY OR TO ANY OTHER ENTITY FOR ANY LOST PROFITS, COSTS OF COVER, OR OTHER SPECIAL DAMAGES, OR ANY PUNITIVE, EXEMPLARY, REMOTE, CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES, UNDER THIS AGREEMENT INCURRED OR CLAIMED BY ANY PARTY OR ENTITY (OR SUCH PARTY OR ENTITY'S OFFICERS, DIRECTORS, STOCKHOLDERS, MEMBERS OR OWNERS), HOWEVER CAUSED, ON ANY THEORY OF LIABILITY.

8.6. Further Agreements.

Purchaser and Servicer each agree to execute and deliver to the other such reasonable and appropriate additional documents, instruments or agreements as may be necessary or appropriate to effectuate the purposes of this Agreement.

8.7. Successors and Assigns; Assignment of Servicing Agreement.

This Agreement shall bind and inure to the benefit of and be enforceable by Servicer and Purchaser and the respective successors and assigns of Servicer and Purchaser. Except as otherwise provided in this Agreement, the rights and obligations of either Party under this Agreement shall not be assigned without the prior written consent of the other Party, and any such assignment without the prior written consent of the other Party shall be null and void.

8.8. Amendment; Waiver.

Except as otherwise expressly provided herein, Purchaser and Servicer may amend this Agreement, from time to time, in a writing signed by duly authorized officers of Servicer and Purchaser; provided, however, that Servicer may reduce or otherwise waive its rights under Exhibit A in a writing signed by a duly authorized officer of Servicer. No term or provision of this Agreement may be waived or modified unless such waiver or modification is in writing and signed by the Party against whom such waiver or modification is sought to be enforced.

8.9. Exhibits.

The exhibits to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

8.10. Costs.

Unless otherwise provided for in this Agreement, each of Purchaser and Servicer shall bear its own costs and expenses in connection with this Agreement, including without limitation any commissions, fees, costs, and expenses, including those incurred in relation to due diligence performed or legal services provided in connection with this Agreement.

8.11. Counterparts.

This Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. The Parties agree that this Agreement and signature pages may be transmitted between them by facsimile or by electronic mail and that faxed, PDF or DocuSign (or other e-signature) signatures may constitute original signatures and that a faxed, PDF or DocuSign (or other e-signature) signature page containing the signature (faxed, PDF, DocuSign (or other e-signature) or original) is binding upon the Parties.

8.12. No Joint Venture or Partnership.

Each Party hereto (including any of its respective permitted successors and assignees) acknowledges and agrees that such Party will not hold itself out as an agent, partner or co-venturer of any other Party hereto and that this Agreement and the transactions contemplated hereby, including the payment of any fees or the reimbursement of any expenses, is not intended and does not create an agency, partnership, joint venture or any other type of relationship between or among the Parties hereto, except to the extent that any independent contractual relationship established hereby.

8.13. Entire Agreement.

As of the Effective Date, each Party hereby acknowledges and agrees that this Agreement, together with the exhibits hereto, represents the complete and entire agreement between the Parties, and shall supersede all prior written or oral statements, agreements or understandings between the Parties relating to the subject matter of this Agreement.

8.14. No Petition.

Notwithstanding any prior termination of this Agreement, to the fullest extent permitted by Applicable Law, each Party agrees that it shall not institute, or join any other Person in instituting, a petition or a proceeding that causes (a) the other Party to be a debtor under any federal or state bankruptcy or similar insolvency law or (b) a trustee, conservator, receiver, liquidator, or similar official to be appointed for such other Party or any substantial part of any of its property.

8.15. Force Majeure.

If any Party reasonably anticipates being unable or is rendered unable, wholly or in part, by an extreme and unexpected force outside the control of such Party (including, but not limited to, act of God, legislative enactments, strikes, lock-outs, riots, acts of war, epidemics, fire, communication line or power failure, earthquakes or other disasters) to carry out its obligations under this Agreement, that Party shall give to the other Party in a commercially reasonable amount of time written notice to that effect, the expected duration of the inability to perform and assurances that all available means will be employed to continue and/or restore performance. Upon receipt of the written notice, the affected obligations of the Party giving the notice shall be suspended so long as such Party is reasonably unable to so perform and such Party shall have no liability to the other for the failure to perform any suspended obligation during the period of suspension; however, the other Party may at its option terminate this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused to be duly authorized, executed and delivered, as of the date first above written, this MASTER LOAN SERVICING AGREEMENT.

LENDINGCLUB CORPORATION
(Servicer)

By:_____

Name: _____

Title: _____

[_____]
(Purchaser)

By:_____
Name: _____
Title: _____

EXHIBIT A

CERTAIN FEES

Servicing Fee: With respect to LendingClub (or an Affiliate or other designee of LendingClub) acting as Servicer, and as determined for each calendar month (as of the last day of each such month), the Servicing Fee shall be equal to the product of (1) 1/12, (2) the outstanding principal balance of all Loans being serviced by Servicer under the Servicing Agreement as of the end of each month (collectively, the "Assets"), and (3) a "Fee Percentage" equal to a number of basis points (the "Fee Percentage") depending upon the amount of Assets, calculated as follows:

Amount of Assets	Fee Percentage
Any Amount	[_____] ([_____]%)

The Servicing Fee shall be payable by Purchaser (or any subsequent holder of the Loans) monthly in arrears.

Charged Off Loan Proceeds Fee: The fee from the sale of Charged Off Loans sold on behalf of Purchaser shall be up to [_____]% (or such other percentage as is made publicly available by Servicer) of the Liquidation Proceeds of such sale.

Servicer is entitled to certain other fees, including Ancillary Fees, separate and apart from the above listed fees.

EXHIBIT B

CHARGE OFF POLICY

EXHIBIT C

POWER OF ATTORNEY

From [_____], as Purchaser, to
LendingClub Corporation, as Servicer

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, reference is made to the Master Loan Servicing Agreement, dated as of [_____], 20__, between LendingClub Corporation, a Delaware corporation ("LendingClub"), as servicer (in such capacity, the "Servicer") and **[_____]**, a [_____] as a purchaser (in such capacity, the "Purchaser") (as such agreement may be amended, supplemented and modified from time to time, the "Loan Servicing Agreement").

WHEREAS, in connection with the Loan Servicing Agreement, Purchaser agrees to constitute and appoints Servicer and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact of Purchaser with full power and authority in the place and stead of Purchaser, and in the name of Purchaser or in its own name, from time to time, for the purpose of carrying out the terms of the Loan Servicing Agreement as related to the Charged Off Loans and complying with the terms of the related Loan Document Packages, and to take any action and execute any instruments or documents that Servicer may deem reasonably necessary or advisable to accomplish the purposes of the Loan Servicing Agreement as related to the Charged Off Loans and complying with the terms of the related Loan Document Packages.

Capitalized terms used and not defined herein have the meanings assigned to them in the Loan Servicing Agreement.

NOW, THEREFORE, Purchaser does hereby:

1. constitute and appoint Servicer and any officer or agent thereof (which are referred to herein collectively as "Attorneys" and individually as "Attorney") with full power of substitution, as its true and lawful attorney-in-fact of Purchaser with full power and authority in the place and stead of Purchaser, and in the name of Purchaser or in its own name, from time to time:

    (a) to carry out the terms of Section 3.2(c) of the Loan Servicing Agreement in connection with the sale and transfer of a Charged Off Loan;

    (b) if applicable, to execute a joinder agreement joining Purchaser to an agreement or agreements between Servicer and (A) a Charged Off Loan Broker and/or (B) a Charged Off Loan Purchaser;

    (c) to take any action and execute any instruments or documents that Servicer may deem reasonably necessary or advisable to transfer and convey each of the Charged Off Loans from Purchaser to a Charged Off Loan Purchaser or

its successors or assignees in accordance with the Loan Servicing Agreement and the Purchase Agreement;

2. further authorize and empower each such Attorney, for and in the place and stead of Purchaser and in the name of Purchaser: (a) to file and record this Power of Attorney with the appropriate public officials; and (b) to appoint and name such substitute attorneys with all authority and powers hereunder, provided that such substitute attorneys are duly elected and qualified officers of Purchaser; and

3. agree that any Attorney may provide this Power of Attorney to a Charged Off Loan Purchaser upon reasonable request of such Charged Off Loan Purchaser, provided that such Charged Off Loan Purchaser has agreed to treat this Power of Attorney as confidential information and share it only as is required by Applicable Law or an applicable Regulatory Authority to establish such ownership and right.

Purchaser covenants and grants to the Attorneys full authority and power to execute any documents and instruments and to do and perform any act that is necessary or appropriate to effect the intent and purposes of the foregoing authority and powers hereunder. Purchaser further ratifies and confirms each act that the Attorneys shall lawfully do or cause to be done in accordance with the authority and powers granted hereunder. The foregoing authority and powers granted hereunder shall not be deemed breached by reason of any action or omission of any Attorneys appointed hereunder. Purchaser covenants and agrees that, from time to time at the request of Servicer, Purchaser shall execute instruments confirming all of the foregoing authority and powers of any Attorneys.

Without actual notice to the contrary, any person may rely on authorities and powers granted hereunder and any actions of the Attorneys taken pursuant to such authorities and powers as the valid, binding and enforceable actions of Servicer and that all conditions hereunder to the exercise of such actions by the Attorneys have been completed and are satisfied. No person to whom this Power of Attorney is presented, as authority for Attorney to take any action or actions contemplated hereby, shall be required to inquire into or seek confirmation from Purchaser as to the authority of Attorney to take any action described herein, or as to the existence of or fulfillment of any condition to this Power of Attorney, which is intended to grant to Attorney unconditionally the authority to take and perform the actions contemplated herein, and Purchaser irrevocably waives any right to commence any suit or action, in law or equity, against any person or entity which acts in reliance upon or acknowledges the authority granted under this Power of Attorney.

This Power of Attorney is revocable by Purchaser upon thirty (30) days' written notice to Servicer.

THIS POWER OF ATTORNEY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF.

IN WITNESS WHEREOF, this Power of Attorney is executed by Purchaser on this _____ day of _____, 20__.

[_____],
as Purchaser

By:
Name:
Title:

ACKNOWLEDGMENT

STATE OF _____ §
§
COUNTY OF _____ §

On the _____ day of _____, 20__, before me personally appeared the above-named _____ of [*Company*], to me known and known to me to be the _____ of said company, and acknowledged said instrument so executed to be his/her free act and deed in said capacity and the free act and deed of said company.

_____
Notary Public
Printed Name:
My Commission Expires:

EXHIBIT D

ELECTION TO REINVEST OR DISTRIBUTE PRINCIPAL AND INTEREST

Pursuant to Section 3.2(e) of the Master Loan Servicing Agreement, dated as of [_____] (as may be amended, supplemented or otherwise modified from time to time, the "Servicing Agreement"), by and between [_____] ("Purchaser") and LendingClub Corporation ("LendingClub"), Purchaser makes the following elections regarding the reinvestment or disbursement of principal and interest Proceeds.

Select one of the two following options:

- **(1) Reinvest principal and interest***

- **(2) Distribute principal and interest**
  For option #2, please also select distribution (a) timing and (b) payment type:
  (a) ☐ **Monthly ACH****
  (b) ☐ **Monthly Wire****
  (c) ☐ **Daily Wire**

*Principal and interest will be reinvested in accordance with the terms of the Purchase Agreement.
**Monthly P&I distributions will be made on or around the 10th of each month.

If Purchaser has previously made elections regarding the monthly reinvestment or disbursement of principal and interest, Purchaser acknowledges and agrees that the election set forth above shall supersede and replace any such prior elections in their entirety and, once effective, shall serve as the sole and complete election regarding the reinvestment or distribution of principal and interest applicable to each Purchaser Online Account (as defined in the Purchase Agreement).

PURCHASER:
[_____]

By: _____
Name:
Title:

Exhibit 21.1

SUBSIDIARIES OF LENDINGCLUB CORPORATION

The following are the direct subsidiaries of LendingClub Corporation as of December 31, 2019, omitting subsidiaries which, considered in the aggregate, would not constitute a significant subsidiary:

Subsidiaries (a wholly owned subsidiary)	State of Incorporation
Consumer Loan Underlying Bond (CLUB) Depositor, LLC	Delaware
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I	Delaware
LC Trust I	Delaware
The Lending Club Members Trust	Delaware
LendingClub Receivables Trust	Delaware
Performance Trust LPP	Delaware
LendingClub Asset Management, LLC	Delaware
LendingClub Operated Aggregator Note (LOAN) NP I, LLC	Delaware
LendingClub Warehouse I LLC	Delaware
LendingClub Warehouse II LLC	Delaware
LendingClub Warehouse III LLC	Delaware
Rincon Point LLC	Delaware
Desert Point LLC	Delaware
Springstone Financial, LLC	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements on Form S-3 (No. 333-233190) and on Form S-8 (No. 333-197570; 333-200676; 333-213647; 333-217731; 333-226899; and 333-232518) of our reports dated February 19, 2020, relating to the financial statements schedules of LendingClub Corporation, and the effectiveness of LendingClub Corporation's internal control over financial reporting, appearing in the Annual Report on Form 10-K of LendingClub Corporation for the year ended December 31, 2019, and to the reference to us under the heading “Experts” in the Prospectus, which is part of these Registration Statements.

/s/ Deloitte & Touche LLP

San Francisco, California
February 19, 2020

Exhibit 31.1

CERTIFICATION

I, Scott Sanborn, certify that:

1. I have reviewed this Annual Report on Form 10-K of LendingClub Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2020

/s/ SCOTT SANBORN

Scott Sanborn

Chief Executive Officer

(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Thomas W. Casey, certify that:

1. I have reviewed this Annual Report on Form 10-K of LendingClub Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 19, 2020

/s/ THOMAS W. CASEY
Thomas W. Casey
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of LendingClub Corporation (the "Company") on Form 10-K for the year ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ SCOTT SANBORN

Scott Sanborn
Chief Executive Officer
(Principal Executive Officer)

/s/ THOMAS W. CASEY

Thomas W. Casey
Chief Financial Officer

Dated: February 19, 2020