

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

FORM 10-Q

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

For the quarterly period ended June 30, 2024

Commission File Number: 001-36771

LendingClub Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

51-0605731

(I.R.S. Employer
Identification No.)

595 Market Street, Suite 200,

San Francisco, CA 94105

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (415) 930-7440

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

Title of each class

Common stock, par value \$0.01 per share

Trading Symbol

LC

Name of each exchange on which registered

New York Stock Exchange

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, a 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 Exchange Act). Yes No

As of July 19, 2024, there were 111,816,791 shares of the registrant's common stock outstanding.

LENDINGCLUB CORPORATION

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Glossary

The following is a list of common acronyms and terms LendingClub Corporation regularly uses in its financial reporting:

ACL	Allowance for Credit Losses (includes the allowance for loan and lease losses, allowance for securities available for sale and reserve for unfunded lending commitments)
Acquisition	Acquisition of Radius Bancorp, Inc.
AFS	Available for Sale
ALLL	Allowance for Loan and Lease Losses
Annual Report	Annual Report on Form 10-K for the year ended December 31, 2023
ASU	Accounting Standards Update
AUM	Assets Under Management (outstanding balances of Loan Originations serviced by the Company including loans sold to investors as well as loans held for investment and held for sale by the Company)
Balance Sheet	Condensed Consolidated Balance Sheets
CECL	Current Expected Credit Losses (Accounting Standards Update 2016-13, Financial Instruments —Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments)
CET1	Common Equity Tier 1
CET1 Capital Ratio	Common Equity Tier 1 capital divided by total risk-weighted assets as defined under the Basel III capital framework
DCF	Discounted Cash Flow
EPS	Earnings Per Share
Exchange Act	Securities Exchange Act of 1934, as amended
FRB or Federal Reserve	Board of Governors of the Federal Reserve System and, as applicable, Federal Reserve Bank(s)
GAAP	Accounting Principles Generally Accepted in the United States of America
HFI	Loans which are retained by the Company and held for investment
HFS	Held for sale loans expected to be sold to investors, including Marketplace Loans
Income Statement	Condensed Consolidated Statements of Income
LC Bank or LendingClub Bank	LendingClub Bank, National Association
LendingClub, LC, the Company, we, us, or our	LendingClub Corporation and its subsidiaries
Loan Originations	Unsecured personal loans and auto refinance loans originated by the Company or facilitated by third-party issuing banks
Marketplace Loans	Loan Originations designated as HFS and subsequently sold to investors
N/M	Not meaningful
OCC	Office of the Comptroller of the Currency
Parent	LendingClub Corporation (the Parent Company of LendingClub Bank, National Association and other subsidiaries)
PPNR or Pre-Provision Net Revenue	PPNR, or Pre-Provision Net Revenue, is a non-GAAP financial measure calculated by subtracting the provision for credit losses and income tax benefit/expense from net income
Radius	Radius Bancorp, Inc.
SEC	United States Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended
Statement of Cash Flow	Condensed Consolidated Statements of Cash Flows

Structured Certificates	Asset-backed securitization transaction where the Company retains the senior note security and sells the residual certificate on a pool of loans to a marketplace investor at a predetermined price
Structured Program transactions	Asset-backed securitization transactions, including Structured Certificate transactions, where certain accredited investors and qualified institutional buyers have the opportunity to invest in securities backed by a pool of unsecured personal whole loans
Tier 1 Capital Ratio	Tier 1 capital, which includes Common Equity Tier 1 capital plus non-cumulative perpetual preferred equity that qualifies as additional tier 1 capital, divided by total risk-weighted assets as defined under the Basel III capital framework
Tier 1 Leverage Ratio	Tier 1 capital, which includes Common Equity Tier 1 capital plus non-cumulative perpetual preferred equity that qualifies as additional tier 1 capital, divided by quarterly adjusted average assets as defined under the Basel III capital framework
Total Capital Ratio	Total capital, which includes Common Equity Tier 1 capital, Tier 1 capital and allowance for credit losses and qualifying subordinated debt that qualifies as Tier 2 capital, divided by total risk-weighted assets as defined under the Basel III capital framework
Unsecured personal loans	Unsecured personal loans originated on the Company's platforms, including an online direct to consumer platform and a platform connected with a network of education and patient finance providers
VIE	Variable Interest Entity

LENDINGCLUB CORPORATION

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 LendingClub Bank, National Association (LC Bank), and various entities established to facilitate loan sale transactions under LendingClub's Structured Program.

Forward-looking Statements

This Quarterly Report on Form 10-Q (Report) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). 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 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:

- The impact of, and our ability to successfully navigate, the current interest rate and economic climate;
- our compliance, and that of third-party partners or providers, with applicable local, state and federal laws, regulations and regulatory developments or court decisions affecting our business;
- the impact of accounting standards or policies, including the Current Expected Credit Losses (CECL) standard;
- the results of examinations of us by regulatory authorities and the possibility that any such regulatory authority may, among other things, require us to limit our business activities, increase our allowance for loan losses, increase our capital levels, or affect our ability to borrow funds or maintain or increase deposits;
- our ability to effectively manage capital or liquidity to support our evolving business or operational needs, while remaining compliant with regulatory or supervisory requirements and appropriate risk-management standards;
- the impact of changes to our deposit base;
- the impact of the continuation of, or changes in, the short-term and long-term interest rate environment and economic climate;
- the ability and willingness of borrowers to repay loans;
- our belief that certain loans and leases in our commercial loan portfolio will be fully repaid in accordance with the contractual loan terms;
- our ability to maintain investor confidence in the operation of our platform;
- the performance of our loan products and expected rates of return for investors;
- the impact of, and our ability to resolve, pending litigation and governmental inquiries and investigations;
- the use of our own capital to purchase loans;
- our intention not to sell our available for sale (AFS) investment portfolio;
- our financial condition and performance, including the impact that management's estimates have on our financial performance and the relationship between interim period and full year results;
- the fair value estimates used in the valuation of our financial instruments;
- our estimate of our interest rate sensitivity;
- our calculation of expected credit losses for our collateral-dependent loans;
- our estimated maximum exposure to losses;
- our expectation of loan servicing fee revenue based on forecasted prepayments and estimated market rate of servicing at the time of loan sale;
- capital expenditures;
- our compliance with contractual obligations or restrictions;
- our ability to develop and maintain effective internal controls;
- our ability to continue to realize the financial and strategic benefits of our digital marketplace bank business model; and

LENDINGCLUB CORPORATION

- 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 and our Annual Report on Form 10-K for the year ended December 31, 2023, as well as in our condensed consolidated financial statements, related notes, and other information appearing elsewhere in this Report and our other filings with the SEC 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. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	June 30, 2024	December 31, 2023
Assets		
Cash and due from banks	\$ 19,099	\$ 14,993
Interest-bearing deposits in banks	919,020	1,237,511
Total cash and cash equivalents	938,119	1,252,504
Restricted cash ⁽¹⁾	31,332	41,644
Securities available for sale at fair value (\$2,869,880 and \$1,663,990 at amortized cost, respectively)	2,814,383	1,620,262
Loans held for sale at fair value	791,059	407,773
Loans and leases held for investment	4,228,391	4,850,302
Allowance for loan and lease losses	(228,909)	(310,387)
Loans and leases held for investment, net	3,999,482	4,539,915
Loans held for investment at fair value ⁽¹⁾⁽²⁾	339,222	272,678
Property, equipment and software, net	166,150	161,517
Goodwill	75,717	75,717
Other assets ⁽¹⁾	430,586	455,453
Total assets	\$ 9,586,050	\$ 8,827,463
Liabilities and Equity		
Deposits:		
Interest-bearing	\$ 7,759,632	\$ 7,001,680
Noninterest-bearing	335,696	331,806
Total deposits	8,095,328	7,333,486
Borrowings ⁽¹⁾⁽²⁾	5,474	19,354
Other liabilities ⁽¹⁾	197,303	222,801
Total liabilities	8,298,105	7,575,641
Equity		
Common stock, \$0.01 par value; 180,000,000 shares authorized; 111,812,215 and 110,410,602 shares issued and outstanding, respectively	1,118	1,104
Additional paid-in capital	1,685,865	1,669,828
Accumulated deficit	(361,653)	(388,806)
Accumulated other comprehensive loss	(37,385)	(30,304)
Total equity	1,287,945	1,251,822
Total liabilities and equity	\$ 9,586,050	\$ 8,827,463

(1) Includes amounts in consolidated VIEs. See "Notes to Condensed Consolidated Financial Statements – Note 6. Securitizations and Variable Interest Entities."

(2) Prior period amounts have been reclassified to conform to the current period presentation.

See Notes to Condensed Consolidated Financial Statements.

LENDINGCLUB CORPORATION
Condensed Consolidated Statements of Income
 (In Thousands, Except Share and Per Share Amounts)
 (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Non-interest income:				
Marketplace revenue	\$ 56,353	\$ 82,783	\$ 112,244	\$ 178,417
Other non-interest income	2,360	3,035	4,269	6,391
Total non-interest income	58,713	85,818	116,513	184,808
Interest income:				
Interest on loans held for sale	26,721	4,433	41,420	10,190
Interest and fees on loans and leases held for investment	124,819	162,085	257,212	312,552
Interest on loans held for investment at fair value ⁽¹⁾	12,047	22,886	20,456	51,461
Interest on securities available for sale	42,879	5,948	78,226	9,848
Other interest income	13,168	19,134	29,671	32,848
Total interest income	219,634	214,486	426,985	416,899
Interest expense:				
Interest on deposits	90,193	66,521	174,156	119,794
Other interest expense ⁽¹⁾	913	1,313	1,413	3,749
Total interest expense	91,106	67,834	175,569	123,543
Net interest income	128,528	146,652	251,416	293,356
Total net revenue	187,241	232,470	367,929	478,164
Provision for credit losses	35,561	66,595	67,488	137,179
Non-interest expense:				
Compensation and benefits	56,540	71,553	116,094	144,860
Marketing	26,665	23,940	50,801	50,820
Equipment and software	12,360	13,968	25,044	27,664
Depreciation and amortization	13,072	11,638	25,745	23,992
Professional services	7,804	9,974	14,895	19,032
Occupancy	3,941	4,684	7,802	8,994
Other non-interest expense	11,876	15,322	24,110	33,025
Total non-interest expense	132,258	151,079	264,491	308,387
Income before income tax expense	19,422	14,796	35,950	32,598
Income tax expense	(4,519)	(4,686)	(8,797)	(8,822)
Net income	\$ 14,903	\$ 10,110	\$ 27,153	\$ 23,776
Earnings per share: ⁽²⁾				
Basic EPS	\$ 0.13	\$ 0.09	\$ 0.24	\$ 0.22
Diluted EPS	\$ 0.13	\$ 0.09	\$ 0.24	\$ 0.22
Weighted-average common shares – Basic	111,395,025	107,892,590	111,040,410	107,405,072
Weighted-average common shares – Diluted	111,466,497	107,895,072	111,076,938	107,409,129

⁽¹⁾ Prior period amounts have been reclassified to conform to the current period presentation.

⁽²⁾ See "Notes to Condensed Consolidated Financial Statements – Note 3. Earnings Per Share" for additional information.

See Notes to Condensed Consolidated Financial Statements.

LENDINGCLUB CORPORATION
Condensed Consolidated Statements of Comprehensive Income
 (In Thousands)
 (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income	\$ 14,903	\$ 10,110	\$ 27,153	\$ 23,776
Other comprehensive loss:				
Change in net unrealized loss on securities available for sale	(256)	(7,758)	(9,686)	(2,159)
Other comprehensive loss, before tax	(256)	(7,758)	(9,686)	(2,159)
Income tax effect	68	2,107	2,605	587
Other comprehensive loss, net of tax	(188)	(5,651)	(7,081)	(1,572)
Total comprehensive income	\$ 14,715	\$ 4,459	\$ 20,072	\$ 22,204

See Notes to Condensed Consolidated Financial Statements.

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

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity
	Shares	Amount				
Balance at March 31, 2024	111,120,415	\$ 1,111	\$ 1,678,928	\$ (37,197)	\$ (376,556)	\$ 1,266,286
Stock-based compensation	—	—	11,315	—	—	11,315
Net issuances under equity incentive plans	691,800	7	(4,378)	—	—	(4,371)
Net unrealized loss on securities available for sale, net of tax	—	—	—	(188)	—	(188)
Net income	—	—	—	—	14,903	14,903
Balance at June 30, 2024	111,812,215	\$ 1,118	\$ 1,685,865	\$ (37,385)	\$ (361,653)	\$ 1,287,945

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity
	Shares	Amount				
Balance at December 31, 2023	110,410,602	\$ 1,104	\$ 1,669,828	\$ (30,304)	\$ (388,806)	\$ 1,251,822
Stock-based compensation	—	—	24,914	—	—	24,914
Net issuances under equity incentive plans	1,401,613	14	(8,877)	—	—	(8,863)
Net unrealized loss on securities available for sale, net of tax	—	—	—	(7,081)	—	(7,081)
Net income	—	—	—	—	27,153	27,153
Balance at June 30, 2024	111,812,215	\$ 1,118	\$ 1,685,865	\$ (37,385)	\$ (361,653)	\$ 1,287,945

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity
	Shares	Amount				
Balance at March 31, 2023	107,460,734	\$ 1,075	\$ 1,637,283	\$ (33,537)	\$ (414,079)	\$ 1,190,742
Stock-based compensation	—	—	18,021	—	—	18,021
Net issuances under equity incentive plans	1,233,386	12	(7,711)	—	—	(7,699)
Net unrealized loss on securities available for sale, net of tax	—	—	—	(5,651)	—	(5,651)
Net income	—	—	—	—	10,110	10,110
Balance at June 30, 2023	108,694,120	\$ 1,087	\$ 1,647,593	\$ (39,188)	\$ (403,969)	\$ 1,205,523

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Equity
	Shares	Amount				
Balance at December 31, 2022	106,546,995	\$ 1,065	\$ 1,628,590	\$ (37,616)	\$ (427,745)	\$ 1,164,294
Stock-based compensation	—	—	32,091	—	—	32,091
Net issuances under equity incentive plans	2,147,125	22	(13,088)	—	—	(13,066)
Net unrealized loss on securities available for sale, net of tax	—	—	—	(1,572)	—	(1,572)
Net income	—	—	—	—	23,776	23,776
Balance at June 30, 2023	108,694,120	\$ 1,087	\$ 1,647,593	\$ (39,188)	\$ (403,969)	\$ 1,205,523

See Notes to Condensed Consolidated Financial Statements.

LENDINGCLUB CORPORATION
Condensed Consolidated Statements of Cash Flows
(In Thousands)
(Unaudited)

	Six Months Ended June 30,	
	2024	2023
Cash Flows from Operating Activities:		
Net income	\$ 27,153	\$ 23,776
Adjustments to reconcile net income to net cash (used for) provided by operating activities:		
Net fair value adjustments	96,084	38,856
Change in fair value of loan servicing assets	35,296	29,650
Gain on sales of loans	(21,657)	(27,346)
Provision for credit losses	67,488	137,179
Accretion of loan deferred fees and costs	(36,686)	(50,292)
Stock-based compensation, net	20,993	27,716
Depreciation and amortization	25,745	23,992
Other, net	1,258	(6,363)
Net change to loans held for sale	(1,980,860)	(138,347)
Net change in operating assets and liabilities:		
Other assets	8,257	14,065
Other liabilities	(22,044)	(49,751)
Net cash (used for) provided by operating activities	(1,778,973)	23,135
Cash Flows from Investing Activities:		
Net change in loans and leases ⁽¹⁾	435,152	(191,945)
Purchases of securities available for sale	(15,341)	(45,120)
Proceeds from maturities and paydowns of securities available for sale	309,956	19,022
Purchases of property, equipment and software, net	(24,646)	(32,255)
Other investing activities	(1,271)	(7,600)
Net cash provided by (used for) investing activities	703,850	(257,898)
Cash Flows from Financing Activities:		
Net change in deposits	773,171	450,559
Principal payments on borrowings ⁽¹⁾	(14,211)	(88,498)
Other financing activities	(8,534)	(13,066)
Net cash provided by financing activities	750,426	348,995
Net (Decrease) Increase in Cash, Cash Equivalents and Restricted Cash	\$ (324,697)	\$ 114,232
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	\$ 1,294,148	\$ 1,124,484
Cash, Cash Equivalents and Restricted Cash, End of Period	\$ 969,451	\$ 1,238,716
Supplemental Cash Flow Information:		
Cash paid for interest	\$ 178,261	\$ 115,112
Cash paid for taxes	\$ 52	\$ 7,245
Cash paid for operating leases included in the measurement of lease liabilities	\$ 6,360	\$ 6,364
Supplemental Non-cash Investing Activity:		
Net securities retained from Structured Program transactions	\$ 1,498,125	\$ 153,229

⁽¹⁾ Prior period amounts have been reclassified to conform to the current period presentation.

LENDINGCLUB CORPORATION
Condensed Consolidated Statements of Cash Flows (Continued)
(In Thousands)
(Unaudited)

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

	June 30, 2024	December 31, 2023
Cash and cash equivalents	\$ 938,119	\$ 1,252,504
Restricted cash	31,332	41,644
Total cash, cash equivalents and restricted cash	\$ 969,451	\$ 1,294,148

See Notes to Condensed Consolidated Financial Statements.

LENDINGCLUB CORPORATION
Notes to Condensed Consolidated Financial Statements
(Tabular Amounts in Thousands, Except Share and Per Share Amounts, Ratios, or as Noted)
(Unaudited)

1. Summary of Significant Accounting Policies

Basis of Presentation

LendingClub Corporation (LendingClub) was founded in 2006 and brought a traditional credit product – the installment loan – into the digital age by leveraging technology, data science, and a unique marketplace model. In February 2021, LendingClub completed the acquisition of Radius, becoming a bank holding company and forming LC Bank as its wholly-owned subsidiary. The Company operates the vast majority of its business through LC Bank, as a lender and originator of loans and as a regulated bank in the United States.

All intercompany balances and transactions have been eliminated in consolidation. These condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for interim financial information and, in the opinion of management, contain all adjustments, including 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. Results reported in interim periods are not necessarily indicative of results for the full year or any other interim period.

The Company made the following presentation changes in the condensed consolidated financial statements and accompanying notes during the first half of 2024:

- Condensed Consolidated Balance Sheets (Balance Sheet) – “Retail and certificate loans held for investment at fair value” were combined within “Loans held for investment at fair value” and “Retail notes and certificates at fair value” were combined within “Borrowings”;
- Condensed Consolidated Statements of Income (Income Statement) – “Interest on retail and certificate loans held for investment at fair value” was combined within “Interest on loans held for investment at fair value” and “Interest on retail notes and certificates at fair value” was combined within “Other interest expense”; and
- Condensed Consolidated Statements of Cash Flows – “Net decrease in retail and certificate loans” was combined within “Net change in loans and leases” and “Principal payments on retail notes and certificates” were combined within “Principal payments on borrowings.”

In all instances, the respective prior period amounts have been reclassified to conform to the current period presentation.

The accompanying interim condensed consolidated financial statements and these related notes should be read in conjunction with the consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 (Annual Report) filed on February 16, 2024.

Significant Accounting Policies

The Company's significant accounting policies are discussed in “*Part II – Item 8. Financial Statements and Supplementary Data – Note 1. Summary of Significant Accounting Policies*” in the Annual Report. There have been no changes to these significant accounting policies for the six months ended June 30, 2024.

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Adoption of New Accounting Standards

The Company did not adopt new accounting standards during the six months ended June 30, 2024.

New Accounting Standards Not Yet Adopted

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280) – Improvements to Reportable Segment Disclosures*, which improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The new standard is effective for annual periods beginning after December 15, 2023 and interim periods beginning after December 15, 2024. The amendments of this standard should be applied retrospectively, with early adoption permitted. The Company is evaluating the impact of this ASU but does not expect it to be material.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740) – Improvements to Income Tax Disclosures*, which improves income tax disclosure requirements, primarily through enhanced disclosures surrounding rate reconciliation and income taxes paid. The new standard is effective for annual periods beginning after December 15, 2024. The amendments of this standard should be applied prospectively, with retrospective application permitted. Early adoption is also permitted. The Company is evaluating the impact of this ASU but does not expect it to be material.

2. Marketplace Revenue

Marketplace revenue consists of (i) origination fees, (ii) servicing fees, (iii) gain on sales of loans and (iv) net fair value adjustments, as described below.

Origination Fees: Origination fees are primarily fees earned related to originating and issuing unsecured personal loans that are held for sale (HFS).

Servicing Fees: The Company receives servicing fees to compensate it for servicing loans on behalf of investors, including managing payments and collections from borrowers and payments to those investors. The amount of servicing fee revenue earned is predominantly affected by the servicing rates paid by investors and the outstanding principal balance of loans serviced for investors. Servicing fee revenue related to loans sold also includes the associated change in the fair value of servicing assets.

Gain on Sales of Loans: In connection with loan sales, the Company recognizes a gain or loss on the sale of loans based on the level to which the contractual servicing fee is above or below an estimated market rate of servicing. Additionally, the Company recognizes transaction costs, if any, as a loss on sale of loans.

Net Fair Value Adjustments: The Company records fair value adjustments on loans that are recorded at fair value, including gains or losses from sale prices in excess of or less than the loan principal amount sold.

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The following table presents components of marketplace revenue for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Origination fees	\$ 77,131	\$ 70,989	\$ 147,210	\$ 141,532
Servicing fees	19,869	22,015	39,461	48,395
Gain on sales of loans	10,748	13,221	21,657	27,346
Net fair value adjustments	(51,395)	(23,442)	(96,084)	(38,856)
Total marketplace revenue	\$ 56,353	\$ 82,783	\$ 112,244	\$ 178,417

3. Earnings Per Share

The following table details the computation of the Company's Basic and Diluted EPS:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Basic EPS:				
Net income attributable to stockholders	\$ 14,903	\$ 10,110	\$ 27,153	\$ 23,776
Weighted-average common shares – Basic	111,395,025	107,892,590	111,040,410	107,405,072
Basic EPS	\$ 0.13	\$ 0.09	\$ 0.24	\$ 0.22
Diluted EPS:				
Net income attributable to stockholders	\$ 14,903	\$ 10,110	\$ 27,153	\$ 23,776
Weighted-average common shares – Diluted	111,466,497	107,895,072	111,076,938	107,409,129
Diluted EPS	\$ 0.13	\$ 0.09	\$ 0.24	\$ 0.22

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4. Securities Available for Sale

The amortized cost, gross unrealized gains and losses, and fair value of available for sale (AFS) securities were as follows:

June 30, 2024	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Senior asset-backed securities related to Structured Program transactions	\$ 2,300,892	\$ 11,369	\$ (147)	\$ —	\$ 2,312,114
U.S. agency residential mortgage-backed securities	258,894	42	(42,600)	—	216,336
Other asset-backed securities related to Structured Program transactions ⁽¹⁾	137,910	3	(285)	(2,083)	135,545
U.S. agency securities	93,455	—	(14,388)	—	79,067
Mortgage-backed securities	51,356	8	(6,093)	—	45,271
Other asset-backed securities	24,126	30	(601)	—	23,555
Municipal securities	3,247	—	(752)	—	2,495
Total securities available for sale ⁽²⁾	\$ 2,869,880	\$ 11,452	\$ (64,866)	\$ (2,083)	\$ 2,814,383

December 31, 2023	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Senior asset-backed securities related to Structured Program transactions	\$ 1,165,513	\$ 10,932	\$ (42)	\$ 1,176,403
U.S. agency residential mortgage-backed securities	261,885	208	(37,497)	224,596
U.S. agency securities	93,452	—	(13,348)	80,104
Other asset-backed securities related to Structured Program transactions ⁽¹⁾	70,662	2,731	—	73,393
Mortgage-backed securities	42,511	—	(5,435)	37,076
Other asset-backed securities	26,710	25	(634)	26,101
Municipal securities	3,257	—	(668)	2,589
Total securities available for sale ⁽²⁾	\$ 1,663,990	\$ 13,896	\$ (57,624)	\$ 1,620,262

(1) As of June 30, 2024 and December 31, 2023, \$135.5 million and \$70.1 million, respectively, of the other 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.

(2) As of June 30, 2024 and December 31, 2023, includes \$356.6 million and \$359.5 million, respectively, of securities pledged as collateral at fair value.

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A summary of AFS securities with unrealized losses, aggregated by period of continuous unrealized loss, is as follows:

	Less than 12 months		12 months or longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
June 30, 2024						
Senior asset-backed securities related to Structured Program transactions	\$ 134,085	\$ (147)	\$ —	\$ —	\$ 134,085	\$ (147)
U.S. agency residential mortgage-backed securities	15,321	(182)	194,767	(42,418)	210,088	(42,600)
Other asset-backed securities related to Structured Program transactions	32,936	(285)	—	—	32,936	(285)
U.S. agency securities	2,994	(6)	76,073	(14,382)	79,067	(14,388)
Mortgage-backed securities	9,704	(129)	33,066	(5,964)	42,770	(6,093)
Other asset-backed securities	1,045	—	13,624	(601)	14,669	(601)
Municipal securities	—	—	2,495	(752)	2,495	(752)
Total securities with unrealized losses	\$ 196,085	\$ (749)	\$ 320,025	\$ (64,117)	\$ 516,110	\$ (64,866)
	Less than 12 months		12 months or longer		Total	
December 31, 2023	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Senior asset-backed securities related to Structured Program transactions	\$ 38,359	\$ (42)	\$ —	\$ —	\$ 38,359	\$ (42)
U.S. agency residential mortgage-backed securities	6,497	(149)	201,426	(37,348)	207,923	(37,497)
U.S. agency securities	—	—	80,104	(13,348)	80,104	(13,348)
Mortgage-backed securities	13,973	(740)	23,103	(4,695)	37,076	(5,435)
Other asset-backed securities	12,911	(50)	8,538	(584)	21,449	(634)
Municipal securities	—	—	2,589	(668)	2,589	(668)
Total securities with unrealized losses	\$ 71,740	\$ (981)	\$ 315,760	\$ (56,643)	\$ 387,500	\$ (57,624)

At June 30, 2024, the majority of the Company's AFS investment portfolio was comprised of senior asset-backed securities related to Structured Program transactions and U.S. agency-backed securities. Management considers U.S. agency-backed securities to be of the highest credit quality and rating given the guarantee of principal and interest by certain U.S. government agencies. Most of the remaining securities in an unrealized loss position in the Company's AFS investment portfolio at June 30, 2024, were rated investment grade. Substantially all of these unrealized losses in the AFS investment portfolio were caused by interest rate increases. The Company does not intend to sell the investment portfolio, and it is not more likely than not that it will be required to sell any investment before recovery of its amortized cost basis. For a description of management's quarterly evaluation of AFS securities in an unrealized loss position, see "Part II – Item 8. Financial Statements and Supplementary Data – Note 1. Summary of Significant Accounting Policies" in our Annual Report.

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The following table presents the activity in the allowance for credit losses for AFS securities, by security type:

	Other asset-backed securities related to Structured Program transactions	
	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
Allowance for credit losses at beginning of period	\$ 2,892	\$ —
Credit loss expense (benefit) for securities available for sale	(809)	2,083
Allowance for credit losses at end of period	\$ 2,083	\$ 2,083

There was no activity in the allowance for credit losses for AFS securities during the second quarter and first half of 2023.

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The contractual maturities of AFS securities were as follows:

June 30, 2024	Amortized Cost	Fair Value	Weighted-average Yield ⁽¹⁾
Due within 1 year:			
U.S. agency securities	\$ 3,000	\$ 2,955	
Total due within 1 year	3,000	2,955	3.50 %
Due after 1 year through 5 years:			
Senior asset-backed securities related to Structured Program transactions	\$ 2,300,892	\$ 2,312,114	
Other asset-backed securities related to Structured Program transactions	137,910	135,545	
U.S. agency securities	7,850	7,520	
Mortgage-backed securities	1,649	1,496	
Other asset-backed securities	380	381	
Municipal securities	154	135	
U.S. agency residential mortgage-backed securities	2	2	
Total due after 1 year through 5 years	2,448,837	2,457,193	7.82 %
Due after 5 years through 10 years:			
U.S. agency securities	21,998	19,854	
Other asset-backed securities	13,821	13,811	
U.S. agency residential mortgage-backed securities	4,313	4,055	
Mortgage-backed securities	2,001	1,678	
Municipal securities	465	393	
Total due after 5 years through 10 years	42,598	39,791	4.17 %
Due after 10 years:			
U.S. agency residential mortgage-backed securities	254,579	212,279	
U.S. agency securities	60,607	48,738	
Mortgage-backed securities	47,706	42,097	
Other asset-backed securities	9,925	9,363	
Municipal securities	2,628	1,967	
Total due after 10 years	375,445	314,444	2.81 %
Total securities available for sale	\$ 2,869,880	\$ 2,814,383	6.92 %

⁽¹⁾ The weighted-average yield is computed using the average month-end amortized cost during the six months ended June 30, 2024.

There were no sales of AFS securities during the second quarters and first halves of 2024 and 2023.

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5. Loans and Leases Held for Investment at Amortized Cost, Net of Allowance for Loan and Lease Losses

LendingClub records certain loans and leases held for investment (HFI) at amortized cost. Other HFI and all HFS loans are recorded at fair value with the Company's election of the fair value option. Accrued interest receivable is excluded from the amortized cost basis of loans and leases HFI and is reported within "Other assets" on the Balance Sheet. Net accrued interest receivable related to loans and leases HFI at amortized cost was \$30.7 million and \$32.2 million as of June 30, 2024 and December 31, 2023, respectively.

Loans and Leases Held for Investment at Amortized Cost

The Company defines its loans and leases HFI portfolio segments as (i) consumer and (ii) commercial. The following table presents the components of each portfolio segment by class of financing receivable:

	June 30, 2024	December 31, 2023
Unsecured personal	\$ 3,144,504	\$ 3,726,830
Residential mortgages	178,290	183,050
Secured consumer	244,288	250,039
Total consumer loans held for investment	3,567,082	4,159,919
Equipment finance ⁽¹⁾	83,770	110,992
Commercial real estate	381,873	380,322
Commercial and industrial	195,666	199,069
Total commercial loans and leases held for investment	661,309	690,383
Total loans and leases held for investment	4,228,391	4,850,302
Allowance for loan and lease losses	(228,909)	(310,387)
Loans and leases held for investment, net ⁽²⁾	\$ 3,999,482	\$ 4,539,915

(1) Comprised of sales-type leases for equipment. See "Note 17. Leases" for additional information.

(2) As of June 30, 2024 and December 31, 2023, the Company had \$3.3 billion and \$4.0 billion in loans pledged as collateral. This was comprised of \$2.8 billion and \$3.5 billion in loans pledged as collateral under the Federal Reserve Bank (FRB) Discount Window and \$475.9 million and \$479.0 million in loans pledged to the Federal Home Loan Bank (FHLB) of Des Moines as of June 30, 2024 and December 31, 2023, respectively.

The following table presents the components of the allowance for loan and lease losses (ALLL):

	June 30, 2024	December 31, 2023
Gross allowance for loan and lease losses ⁽¹⁾	\$ 285,368	\$ 355,773
Recovery asset value ⁽²⁾	(56,459)	(45,386)
Allowance for loan and lease losses	\$ 228,909	\$ 310,387

(1) Represents the allowance for future estimated net charge-offs on existing portfolio balances.

(2) Represents the negative allowance for expected recoveries of amounts previously charged-off.

June 30, 2024	Consumer	Commercial	Total
Loans and leases held for investment	\$ 3,567,082	661,309	4,228,391
Allowance for loan and lease losses	210,739	18,180	228,909
Allowance ratio ⁽¹⁾	5.9%	2.7%	5.4%
Gross allowance for loan and lease losses	267,188	18,180	285,368
Gross allowance ratio ⁽¹⁾	7.5%	2.7%	6.7%

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December 31, 2023	Consumer	Commercial	Total
Loans and leases held for investment	\$ 4,159,919	\$ 690,383	\$ 4,850,302
Allowance for loan and lease losses	\$ 298,061	\$ 12,326	\$ 310,387
Allowance ratio ⁽¹⁾	7.2 %	1.8 %	6.4 %
Gross allowance for loan and lease losses	\$ 343,447	\$ 12,326	\$ 355,773
Gross allowance ratio ⁽¹⁾	8.3 %	1.8 %	7.3 %

⁽¹⁾ Calculated as ALLL or gross ALLL, where applicable, to the corresponding portfolio segment balance of loans and leases held for investment at amortized cost.

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The activity in the allowance for credit losses by portfolio segment was as follows:

	Three Months Ended June 30,					
	2024			2023		
	Consumer	Commercial	Total	Consumer	Commercial	Total
Allowance for loan and lease losses, beginning of period	\$ 246,280	\$ 12,870	\$ 259,150	\$ 333,546	\$ 15,311	\$ 348,857
Credit loss expense (benefit) for loans and leases held for investment	30,760	5,817	36,577	66,874	(684)	66,190
Charge-offs ⁽¹⁾	(77,494)	(594)	(78,088)	(63,345)	(924)	(64,269)
Recoveries	11,183	87	11,270	4,086	299	4,385
Allowance for loan and lease losses, end of period	\$ 210,729	\$ 18,180	\$ 228,909	\$ 341,161	\$ 14,002	\$ 355,163
Reserve for unfunded lending commitments, beginning of period	\$ —	\$ 1,662	\$ 1,662	\$ 67	\$ 1,545	\$ 1,612
Credit loss expense (benefit) for unfunded lending commitments	—	(207)	(207)	(67)	472	405
Reserve for unfunded lending commitments, end of period ⁽²⁾	\$ —	\$ 1,455	\$ 1,455	\$ —	\$ 2,017	\$ 2,017

	Six Months Ended June 30,					
	2024			2023		
	Consumer	Commercial	Total	Consumer	Commercial	Total
Allowance for loan and lease losses, beginning of period	\$ 298,061	\$ 12,326	\$ 310,387	\$ 312,489	\$ 15,363	\$ 327,852
Credit loss expense (benefit) for loans and leases held for investment	58,446	7,377	65,823	137,558	(518)	137,040
Charge-offs ⁽¹⁾	(166,604)	(1,826)	(168,430)	(115,557)	(1,275)	(116,832)
Recoveries	20,826	303	21,129	6,671	432	7,103
Allowance for loan and lease losses, end of period	\$ 210,729	\$ 18,180	\$ 228,909	\$ 341,161	\$ 14,002	\$ 355,163
Reserve for unfunded lending commitments, beginning of period	\$ —	\$ 1,878	\$ 1,878	\$ 18	\$ 1,860	\$ 1,878
Credit loss expense (benefit) for unfunded lending commitments	—	(418)	(418)	(18)	157	139
Reserve for unfunded lending commitments, end of period ⁽²⁾	\$ —	\$ 1,455	\$ 1,455	\$ —	\$ 2,017	\$ 2,017

(1) Unsecured personal loans are charged-off when a borrower is (i) contractually 120 days past due or (ii) two payments past due and has filed for bankruptcy or is deceased.

(2) Relates to \$91.5 million and \$108.9 million of unfunded commitments as of June 30, 2024 and 2023, respectively. As of June 30, 2024, \$8.3 million of the \$91.5 million of unfunded commitments is unconditionally cancellable and therefore has no associated reserve.

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The following table presents charge-offs by origination year for the first half of 2024:

	Gross Charge-Offs by Origination Year						Total
	2024	2023	2022	2021	2020	Prior	
Unsecured personal	\$ 288	48,127	86,555	30,549	—	—	165,506
Residential mortgages	—	—	—	—	—	—	—
Secured consumer	—	263	529	306	—	—	1,098
Total consumer loans held for investment	284	48,390	87,084	30,846	—	—	166,604
Equipment finance	—	—	—	—	—	—	—
Commercial real estate	—	—	—	—	—	—	—
Commercial and industrial	—	421	99	403	—	903	1,826
Total commercial loans and leases held for investment	—	421	99	403	—	903	1,826
Total loans and leases held for investment	288	48,811	87,188	31,249	—	903	168,430

Consumer Lending Credit Quality Indicators

The Company evaluates the credit quality of its consumer loan portfolio based on the aging status of the loan and by payment activity. Loan delinquency reporting is based upon borrower payment activity relative to the contractual terms of the loan. The following tables present the classes of financing receivables within the consumer portfolio segment by credit quality indicator based on delinquency status and origination year:

June 30, 2024	Term Loans and Leases by Origination Year							Total
	2024	2023	2022	2021	2020	Prior		
Unsecured personal								
Current	\$ 497,390	\$ 1,138,471	\$ 1,185,700	\$ 252,988	\$ —	\$ —	\$ 3,074,549	
30-59 days past due	1,156	8,634	11,549	3,498	—	—	24,837	
60-89 days past due	506	7,481	11,675	3,207	—	—	22,869	
90 or more days past due	322	8,609	11,080	3,814	—	—	23,825	
Total unsecured personal ⁽¹⁾	499,374	1,163,195	1,220,004	263,507	—	—	3,146,080	
Residential mortgages								
Current	—	—	47,442	53,460	29,369	47,872	178,143	
30-59 days past due	—	—	—	—	—	—	—	
60-89 days past due	—	—	—	—	—	147	147	
90 or more days past due	—	—	—	—	—	—	—	
Total residential mortgages	—	—	47,442	53,460	29,369	48,019	178,290	
Secured consumer								
Current	45,213	102,201	75,981	15,771	—	2,417	241,583	
30-59 days past due	—	439	1,107	279	—	—	1,825	
60-89 days past due	—	142	395	85	—	—	622	
90 or more days past due	—	75	129	54	—	—	258	
Total secured consumer	45,213	102,857	77,612	16,189	—	2,417	244,288	
Total consumer loans held for investment	\$ 544,587	\$ 1,266,052	\$ 1,345,058	\$ 333,156	\$ 29,369	\$ 50,436	\$ 3,568,658	

⁽¹⁾ Excludes cumulative basis adjustment for loans designated in fair value hedges under the portfolio layer method. As of June 30, 2024, the basis adjustment totaled \$1.6 million and represents a decrease to the amortized cost of the hedged loans. See "Note 8. Derivative Instruments and Hedging Activities" for additional information.

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December 31, 2023		Term Loans and Leases by Origination Year						
		2023	2022	2021	2020	2019	Prior	Total
Unsecured personal								
Current	\$ 1,498,737	\$ 1,688,512	\$ 438,296	\$ —	\$ —	\$ —	\$ —	\$ 3,625,545
30-59 days past due	9,034	17,017	6,665	—	—	—	—	32,716
60-89 days past due	7,767	15,538	6,251	—	—	—	—	29,556
90 or more days past due	6,924	16,564	6,644	—	—	—	—	30,132
Total unsecured personal ⁽¹⁾	1,522,462	1,737,631	457,856	—	—	—	—	3,717,949
Residential mortgages								
Current	53	48,473	54,855	29,960	18,917	29,041	181,299	
30-59 days past due	—	—	—	—	1,331	420	1,751	
60-89 days past due	—	—	—	—	—	—	—	
90 or more days past due	—	—	—	—	—	—	—	
Total residential mortgages	53	48,473	54,855	29,960	20,248	29,461	183,050	
Secured consumer								
Current	125,618	97,084	21,949	—	2,460	—	—	247,111
30-59 days past due	364	1,295	417	—	—	—	—	2,076
60-89 days past due	94	373	168	—	—	—	—	635
90 or more days past due	—	153	64	—	—	—	—	217
Total secured consumer	126,076	98,905	22,598	—	2,460	—	—	250,039
Total consumer loans held for investment	\$ 1,648,591	\$ 1,885,009	\$ 535,309	\$ 29,960	\$ 22,708	\$ 29,461	\$ 4,151,038	

⁽¹⁾ Excludes cumulative basis adjustment for loans designated in fair value hedges under the portfolio layer method. As of December 31, 2023, the basis adjustment totaled \$8.9 million and represents an increase to the amortized cost of the hedged loans. See "Note 8. Derivative Instruments and Hedging Activities" for additional information.

Commercial Lending Credit Quality Indicators

The Company evaluates the credit quality of its commercial loan portfolio based on regulatory risk ratings. The Company categorizes loans and leases into risk ratings based on relevant information about the quality and realizable value of collateral, if any, and the ability of obligors to service their debts, such as current financial information, historical payment experience, credit documentation, public information, and current economic trends, among other factors. The Company analyzes loans and leases individually by classifying the loans and leases based on their associated credit risk and performs this analysis whenever credit is extended, renewed or modified, or when an observable event occurs indicating a potential decline in credit quality, and no less than annually for large balance loans. Risk rating classifications consist of the following:

Pass – Loans and leases that the Company believes will fully repay in accordance with the contractual loan terms.

Special Mention – Loans and leases with a potential weakness that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or the Company's credit position at some future date.

Substandard – Loans and leases that are inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Loans and leases so classified have a well-defined weakness or weaknesses that jeopardize the repayment and liquidation of the debt. They are characterized by the distinct possibility that the Company will sustain some loss if the deficiencies are not corrected. Normal payment from the borrower is in jeopardy, although loss of principal, while still possible, is not imminent.

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Doubtful – Loans and leases that have all the weaknesses inherent in those classified as Substandard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently known facts, conditions, and values, highly questionable and improbable.

Loss – Loans and leases that are considered uncollectible and of little value.

The following tables present the classes of financing receivables within the commercial portfolio segment by risk rating and origination year:

June 30, 2024		Term Loans and Leases by Origination Year							Guaranteed Amount ⁽¹⁾
		2024	2023	2022	2021	2020	Prior	Total	
Equipment finance									
Pass	\$ —	\$ 2,238	\$ 37,916	\$ 16,691	\$ 11,158	\$ 12,621	\$ 80,624	\$ —	
Special mention	—	—	413	783	—	—	—	1,196	—
Substandard	—	—	1,339	611	—	—	—	1,950	—
Doubtful	—	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—	—
Total equipment finance	—	2,238	39,668	18,085	11,158	12,621	83,770	—	
Commercial real estate									
Pass	13,288	56,543	90,377	24,878	31,182	121,961	338,229	30,413	
Special mention	—	—	1,996	—	562	5,009	7,567	2,122	
Substandard	—	—	444	8,490	9,190	13,247	31,371	7,247	
Doubtful	—	—	—	—	—	—	—	—	—
Loss	—	—	2,703	1,515	—	488	4,706	3,980	
Total commercial real estate	13,288	56,543	95,520	34,883	40,934	140,705	381,873	43,762	
Commercial and industrial									
Pass	13,752	39,318	47,418	33,457	7,900	19,283	161,128	100,789	
Special mention	—	3,407	1,295	—	—	135	4,837	3,632	
Substandard	—	—	12,789	2,392	709	1,918	17,808	9,811	
Doubtful	—	—	3,279	1,559	504	285	5,627	4,703	
Loss	—	—	1,442	3,575	—	1,249	6,266	6,279	
Total commercial and industrial	13,752	42,725	66,223	40,983	9,113	22,870	195,666	125,214	
Total commercial loans and leases held for investment	\$ 27,040	\$ 101,506	\$ 201,411	\$ 93,951	\$ 61,205	\$ 176,196	\$ 661,309	\$ 168,976	

⁽¹⁾ Represents loan balances guaranteed by the Small Business Association (SBA).

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December 31, 2023		Term Loans and Leases by Origination Year								
		2023	2022	2021	2020	2019	Prior	Total	Guaranteed Amount ⁽¹⁾	
Equipment finance										
Pass		\$ 2,945	\$ 33,430	\$ 26,311	\$ 7,754	\$ 9,411	\$ 6,288	\$ 86,139	\$ —	
Special mention		—	15,235	1,962	5,873	1,335	—	24,405	—	
Substandard		—	—	—	448	—	—	448	—	
Doubtful		—	—	—	—	—	—	—	—	
Loss		—	—	—	—	—	—	—	—	
Total equipment finance		2,945	48,665	28,273	14,075	10,746	6,288	110,992	—	
Commercial real estate										
Pass		49,067	94,247	34,535	43,058	52,160	78,062	351,129	33,423	
Special mention		—	—	—	—	—	13,706	13,706	—	
Substandard		—	3,598	7,716	—	—	2,139	13,453	9,425	
Doubtful		—	—	—	—	—	—	—	—	
Loss		—	—	1,515	—	—	519	2,034	1,471	
Total commercial real estate		49,067	97,845	43,766	43,058	52,160	94,426	380,322	44,319	
Commercial and industrial										
Pass		40,636	60,352	39,304	9,525	10,282	11,626	171,725	104,928	
Special mention		—	10,881	1,532	729	137	444	13,723	9,384	
Substandard		—	2,304	5,426	673	1,045	1,434	10,882	6,908	
Doubtful		—	649	—	548	—	286	1,483	1,214	
Loss		—	—	—	—	—	1,256	1,256	1,229	
Total commercial and industrial		40,636	74,186	46,262	11,475	11,464	15,046	199,069	123,663	
Total commercial loans and leases held for investment		\$ 92,648	\$ 220,696	\$ 118,301	\$ 68,608	\$ 74,370	\$ 115,760	\$ 690,383	\$ 167,982	

⁽¹⁾ Represents loan balances guaranteed by the SBA.

The following tables present an analysis of the past due loans and leases HFI at amortized cost within the commercial portfolio segment:

June 30, 2024		30-59 Days	60-89 Days	90 or More Days	Total Days Past Due	Guaranteed Amount ⁽¹⁾
Equipment finance		\$ 18	\$ —	\$ 8	\$ 26	\$ —
Commercial real estate		7,422	384	8,569	16,375	10,894
Commercial and industrial		8,715	774	5,869	15,358	12,736
Total commercial loans and leases held for investment		\$ 16,155	\$ 1,158	\$ 14,446	\$ 31,759	\$ 23,630

December 31, 2023		30-59 Days	60-89 Days	90 or More Days	Total Days Past Due	Guaranteed Amount ⁽¹⁾
Equipment finance		\$ 1,265	\$ —	\$ —	\$ 1,265	\$ —
Commercial real estate		—	3,566	1,618	5,184	4,047
Commercial and industrial		12,261	1,632	1,515	15,408	11,260
Total commercial loans and leases held for investment		\$ 13,526	\$ 5,198	\$ 3,133	\$ 21,857	\$ 15,307

⁽¹⁾ Represents loan balances guaranteed by the SBA.

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Loan Modifications

The Company has loan modification programs to assist borrowers experiencing financial difficulty and to mitigate losses and maximize collections for loans serviced by the Company. The table below presents the amortized cost of loans that were modified during the periods presented, by modification type:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Short-term payment reduction	\$ 10,926	\$ 206	\$ 22,445	\$ 367
Permanent loan modification	1,778	897	3,092	1,287
Debt settlement	6,153	6,504	6,264	6,616
Total loan modifications – unsecured personal loans	\$ 18,857	\$ 7,607	\$ 31,801	\$ 8,270
 % of unsecured personal loans at amortized cost as of period end	 0.6 %	 0.2 %	 1.0 %	 0.2 %

During the third quarter of 2023, the Company expanded its digital channels to enable borrowers experiencing financial difficulty to qualify for a short-term payment reduction modification program. Under this program, borrowers may receive a temporary payment reduction for three months. If the borrower meets the temporary payment reduction requirements during the first three-month term, they may qualify for a payment reduction for an additional three months. Receiving an additional three months of payment reduction is considered an other-than-insignificant payment delay and becomes a short-term payment reduction modification. The short-term payment reduction modification results in a term extension of five to eight months compared to the original maturity date of the loan and does not include any principal or interest forgiveness. At the time of receiving a payment reduction, a delinquent loan resets to current status. However, if a borrower fails to comply with the modified terms, the delinquency status returns to the original contractual terms of the loan. Borrowers who were in their first three months of temporary payment reduction had a total of \$17.6 million of loan balances at amortized cost outstanding as of June 30, 2024, and may subsequently be eligible for a short-term payment reduction modification.

Permanent loan modifications include both a reduction in contractual interest rates and an extension to the contractual maturity date of up to twelve months and do not include any principal forgiveness. To qualify for this modification, borrowers must meet the Company's debt-to-income ratio requirements. During the second quarter and first half of 2024, the weighted-average interest rate reduction under this program was approximately 7.5% and 7.9%, respectively. During the second quarter and first half of 2023, the weighted-average interest rate reduction under this program was approximately 8.1% and 8.7%, respectively. The weighted-average maturity date extension was approximately twelve months for all periods.

Debt settlement modifications, which include engaging with third-party debt settlement companies, reduce the principal and interest amounts owed by borrowers. The Company typically charges-off such loans within a few months following the modification, as payments under the modified agreement are less than the original contractual amounts.

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The following table presents the delinquency status of the amortized cost of loan modifications as of the periods presented below that were modified during the preceding twelve months:

	June 30, 2024			June 30, 2023 ⁽¹⁾		
	Short-term Payment Reduction	Permanent Loan Modification	Debt Settlement	Short-term Payment Reduction	Permanent Loan Modification	Debt Settlement
Unsecured personal loans						
Current	\$ 21,215	\$ 4,317	\$ 161	\$ 354	\$ 1,221	\$ 10
30-59 days	1,850	177	23	9	36	11
60-89 days	1,526	281	616	4	30	1,829
90 or more days	896	148	5,622	—	—	4,766
Total loan modifications	\$ 25,487	\$ 4,923	\$ 6,422	\$ 367	\$ 1,287	\$ 6,616

⁽¹⁾ Reflects the delinquency status of the amortized cost of loan modifications that were modified during the preceding six months, as the associated ASU 2022-02 was adopted prospectively on January 1, 2023.

In the event of a borrower defaulting at 120 days past due, the modified loan is charged-off at the time of default. The table below presents the total amount of charge-offs during the period for loan modifications that were entered into within the preceding twelve months of charge-off:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023 ⁽¹⁾	2024	2023 ⁽¹⁾
Short-term payment reduction	\$ 1,367	\$ 14	\$ 1,560	\$ 14
Permanent loan modification	489	51	928	78
Debt settlement	20,197	12,756	41,972	18,463
Total loan modifications – unsecured personal loans	\$ 22,053	\$ 12,821	\$ 44,460	\$ 18,555

⁽¹⁾ Reflects total amount of charge-offs during the period for loan modifications that were entered into within the preceding six months of charge-off, as the associated ASU 2022-02 was adopted prospectively on January 1, 2023.

Nonaccrual Assets

Nonaccrual loans and leases are those for which accrual of interest has been suspended. Loans and leases are generally placed on nonaccrual status when contractually past due 90 days or more, or earlier if management believes that the probability of collection does not warrant further accrual, and are charged-off no later than 120 days past due.

Certain loans on nonaccrual status may be considered collateral-dependent loans if the borrower is experiencing financial difficulty and repayment of the loan is expected to be substantially through sale or operation of the collateral. Expected credit losses for the Company's collateral-dependent loans are calculated as the difference between the amortized cost basis and the fair value of the underlying collateral less costs to sell, if applicable.

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The following table presents nonaccrual loans and leases:

	June 30, 2024		December 31, 2023	
	Nonaccrual	Nonaccrual with no related ACL ⁽¹⁾	Nonaccrual	Nonaccrual with no related ACL ⁽¹⁾
Unsecured personal	\$ 23,825	\$ —	\$ 30,132	\$ —
Residential mortgages	305	305	312	312
Secured consumer	257	—	217	—
Total nonaccrual consumer loans held for investment	24,387	305	30,661	312
Equipment finance	—	—	—	—
Commercial real estate	20,443	6,304	9,663	2,187
Commercial and industrial	20,316	7,512	4,058	1,590
Total nonaccrual commercial loans and leases held for investment ⁽²⁾	40,759	13,816	13,721	3,777
Total nonaccrual loans and leases held for investment	\$ 65,146	\$ 14,121	\$ 44,382	\$ 4,089

(1) Subset of total nonaccrual loans and leases.

(2) Includes \$24.5 million and \$10.4 million in loan balances guaranteed by the SBA as of June 30, 2024 and December 31, 2023, respectively.

	June 30, 2024			December 31, 2023		
	Nonaccrual	Nonaccrual Ratios ⁽¹⁾		Nonaccrual	Nonaccrual Ratios ⁽¹⁾	
Total nonaccrual consumer loans held for investment	\$ 24,387	0.7	%	\$ 30,661	0.7	%
Total nonaccrual commercial loans and leases held for investment	40,759	6.2	%	13,721	2.0	%
Total nonaccrual loans and leases held for investment	\$ 65,146	1.5	%	\$ 44,382	0.9	%

(1) Calculated as the ratio of nonaccruing loans and leases to loans and leases HFI at amortized cost.

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6. Securitizations and Variable Interest Entities

VIE Assets and Liabilities

The following table presents the classifications of assets and liabilities on the Company's Balance Sheet for its transactions with consolidated and unconsolidated VIEs. The Company's transactions with VIEs include Structured Program transactions. The Company has also various forms of involvement with VIEs, including servicing loans and holding senior asset-backed securities or subordinated interests in the VIEs. Additionally, the carrying amount of assets and liabilities in the table below exclude intercompany balances that were eliminated in consolidation.

	June 30, 2024			December 31, 2023		
	Consolidated	Unconsolidated	Total	Consolidated	Unconsolidated	Total
Assets						
Restricted cash	\$ 2,818	\$ —	\$ 2,818	\$ 3,454	\$ —	\$ 3,454
Securities available for sale at fair value	—	2,447,660	2,447,660	—	1,249,796	1,249,796
Loans held for investment at fair value ⁽¹⁾	155	—	155	970	—	970
Other assets	7	48,048	48,055	14	31,531	31,545
Total assets	\$ 2,980	\$ 2,495,708	\$ 2,498,688	\$ 4,438	\$ 1,281,327	\$ 1,285,765
Liabilities						
Borrowings ⁽¹⁾	1,511	—	1,511	2,888	—	2,888
Other liabilities	—	5,407	5,407	4	3,301	3,305
Total liabilities	\$ 1,511	\$ 5,407	\$ 6,918	\$ 2,892	\$ 3,301	\$ 6,193
Total net assets (maximum loss exposure)	\$ 1,469	\$ 2,490,301	\$ 2,491,770	\$ 1,546	\$ 1,278,026	\$ 1,279,572

⁽¹⁾ Prior period amounts have been reclassified to conform to the current period presentation.

Maximum loss exposure 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.

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Unconsolidated VIEs

The following table summarizes activity related to unconsolidated VIEs where the transfers were accounted for as a sale on the Company's financial statements:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Fair value of consideration received:				
Cash	\$ 97,246	\$ 18,051	\$ 190,890	\$ 18,051
Securities retained from Structured Program transactions	759,149	153,229	1,498,125	153,229
Other assets, net	9,906	2,299	19,639	2,299
Total consideration	866,301	173,579	1,708,654	173,579
Fair value of loans sold	(857,434)	(171,559)	(1,691,210)	(171,559)
Gain on sales of loans ⁽¹⁾	\$ 8,867	\$ 2,020	\$ 17,444	\$ 2,020
Cash proceeds from continuing involvement:				
Servicing and other administrative fees	\$ 5,982	\$ 862	\$ 10,705	\$ 1,876
Interest received on securities retained from Structured Program transactions	\$ 37,390	\$ 2,406	\$ 67,053	\$ 3,594

⁽¹⁾ Consists primarily of servicing assets recognized at the time of sale, less any transaction costs, and excludes origination fees and fair value adjustments recognized prior to the sale.

Beginning in the second quarter of 2023, the Company resumed its Structured Program transactions with its newly launched Structured Certificates, where it retains the senior securities at a fixed rate, in addition to the amount required pursuant to the U.S. Risk Retention Rules, and sells the residual certificates. See "Note 4. Securities Available for Sale" for the securities retained in the Company's investment portfolio related to such transactions.

There is no direct recourse to the Company's assets, and holders of the securities can look only to those assets of the VIEs that issued their securities for payment. The residual certificates are subject principally to the credit and prepayment risk stemming from the underlying unsecured personal loans.

As of June 30, 2024, the aggregate unpaid principal balance held by unconsolidated VIEs was \$2.8 billion, of which \$22.1 million was attributable to off-balance sheet loans that were 30 days or more past due. As of December 31, 2023, the aggregate unpaid principal balance held by unconsolidated VIEs was \$1.6 billion, of which \$9.5 million was attributable to off-balance sheet loans that were 30 days or more past due. For such loans, 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.

7. Fair Value Measurements

For a description of the fair value hierarchy and the Company's fair value methodologies, see "Part II – Item 8. Financial Statements and Supplementary Data – Note 1. Summary of Significant Accounting Policies" in the Annual Report. The Company records certain assets and liabilities at fair value as listed in the following tables.

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Recurring Fair Value Measurements

The following tables present, by level within the fair value hierarchy, the Company's assets and liabilities measured at fair value on a recurring basis:

June 30, 2024	Level 1	Level 2	Level 3	Balance at Fair Value
Assets:				
Loans held for sale at fair value	\$ —	\$ —	\$ 791,059	\$ 791,059
Loans held for investment at fair value	—	—	339,222	339,222
Securities available for sale:				
Senior asset-backed securities related to Structured Program transactions	—	—	2,312,114	2,312,114
U.S. agency residential mortgage-backed securities	—	216,336	—	216,336
Other asset-backed securities related to Structured Program transactions	—	—	135,545	135,545
U.S. agency securities	—	79,067	—	79,067
Mortgage-backed securities	—	45,271	—	45,271
Other asset-backed securities	—	23,555	—	23,555
Municipal securities	—	2,495	—	2,495
Total securities available for sale	—	366,724	2,447,659	2,814,383
Servicing assets	—	—	69,709	69,709
Other assets	—	5,841	—	5,841
Total assets	\$ —	\$ 372,565	\$ 3,647,649	\$ 4,020,214
Liabilities:				
Borrowings	—	—	5,474	5,474
Other liabilities	—	4,070	10,700	14,770
Total liabilities	\$ —	\$ 4,070	\$ 16,174	\$ 20,244

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December 31, 2023	Level 1	Level 2	Level 3	Balance at Fair Value
Assets:				
Loans held for sale at fair value	\$ —	\$ —	\$ 407,773	\$ 407,773
Loans held for investment at fair value ⁽¹⁾	—	—	272,678	272,678
Securities available for sale:				
Senior asset-backed securities related to Structured Program transactions	—	—	1,176,403	1,176,403
U.S. agency residential mortgage-backed securities	—	224,596	—	224,596
U.S. agency securities	—	80,104	—	80,104
Other asset-backed securities related to Structured Program transactions	—	—	73,393	73,393
Mortgage-backed securities	—	37,076	—	37,076
Other asset-backed securities	—	26,101	—	26,101
Municipal securities	—	2,589	—	2,589
Total securities available for sale	—	370,466	1,249,796	1,620,262
Servicing assets	—	—	77,680	77,680
Other assets	—	3,525	—	3,525
Total assets	\$ —	\$ 373,991	\$ 2,007,927	\$ 2,381,918
Liabilities:				
Borrowings ⁽¹⁾	—	—	12,956	12,956
Other liabilities	—	12,072	7,655	19,727
Total liabilities	\$ —	\$ 12,072	\$ 20,611	\$ 32,683

⁽¹⁾ Prior period amounts have been reclassified to conform to the current period presentation.

Financial instruments are categorized in the valuation hierarchy based on the significance of observable or unobservable factors in the overall fair value measurement. For the financial instruments listed in the tables above that 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 (DCF) 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 the Company's 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 second quarters and first halves of 2024 or 2023.

The following significant unobservable inputs were used in the fair value measurement of the Company's Level 3 assets:

- *Discount rate* – The weighted-average rate at which the expected cash flows are discounted to arrive at the net present value of the loan. The discount rate is primarily determined based on marketplace investor return expectations.
- *Annualized net charge-off rate* – The annualized rate of average charge-offs, net of recoveries, expressed as a percentage of the average principal balance of loan pools with similar risk characteristics. The calculation of this annualized rate also incorporates a qualitative estimate of credit losses based on the Company's current macroeconomic outlook.

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- *Annualized prepayment rate* – The annualized rate of prepayments expressed as a percentage of the average principal balance of loan pools with similar risk characteristics.

An increase in each of the inputs above, in isolation, would result in a decrease in the fair value measurement.

The sensitivity calculations are hypothetical and should not be considered to be predictive of future performance. The effect on fair value of a variation in assumptions generally cannot be determined because the relationship of the change in assumptions to the fair value may not be linear. Changes in one factor may lead to changes in other factors, which could impact the hypothetical results.

Loans Held for Sale at Fair Value

Significant Unobservable Inputs

The following significant unobservable inputs were used in the fair value measurement of loans HFS:

	June 30, 2024			December 31, 2023		
	Minimum	Maximum	Weighted-Average	Minimum	Maximum	Weighted-Average
Discount rate	7.7 %	12.3 %	8.9 %	8.1 %	10.3 %	9.0 %
Annualized net charge-off rate ⁽¹⁾	2.1 %	21.6 %	6.2 %	2.7 %	12.9 %	6.5 %
Annualized prepayment rate ⁽¹⁾	15.0 %	21.4 %	18.7 %	15.7 %	22.5 %	19.9 %

⁽¹⁾ The weighted-average rate is calculated using the original principal balance of each loan pool.

Fair Value Sensitivity

The sensitivity of loans HFS at fair value to adverse changes in key assumptions was as follows:

	December 31,	
	June 30, 2024	2023
Loans held for sale at fair value	\$ 791,059	\$ 407,773
Expected remaining weighted-average life (in years)	1.5	1.5
Discount rate:		
100 basis point increase	\$ (10,237)	\$ (5,093)
200 basis point increase	\$ (19,908)	\$ (10,051)
Annualized net charge-off rate:		
10% increase	\$ (9,363)	\$ (5,102)
20% increase	\$ (18,694)	\$ (10,184)
Annualized prepayment rate:		
10% increase	\$ (1,596)	\$ (851)
20% increase	\$ (3,111)	\$ (1,628)

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Fair Value Reconciliation

The following table presents loans HFS at fair value activity:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 550,415	\$ 44,647	\$ 407,773	\$ 110,400
Originations and purchases	1,397,930	1,272,118	2,680,180	2,477,147
Sales	(1,042,166)	(1,238,252)	(2,101,814)	(2,485,498)
Principal payments	(63,605)	(5,135)	(97,877)	(11,600)
Transfers	—	191,807	—	191,807
Realized charge-offs, net of recoveries, recorded in earnings	(4,205)	(2,107)	(8,436)	(7,720)
Fair value adjustments recorded in earnings	(47,310)	(12,717)	(88,767)	(24,175)
Fair value at end of period	\$ 791,059	\$ 250,361	\$ 791,059	\$ 250,361

The following table summarizes the aggregate fair value of the Company's HFS loans, as well as the amount that was 90 days or more past due:

	June 30, 2024		December 31, 2023	
	Total	90 or more days past due	Total	90 or more days past due
Aggregate unpaid principal balance	\$ 829,090	\$ 1,521	\$ 431,955	\$ 1,395
Cumulative fair value adjustments	(38,031)	(1,224)	(24,182)	(1,102)
Fair value of loans held for sale	\$ 791,059	\$ 297	\$ 407,773	\$ 293

Loans Held for Investment at Fair Value

The Company does not assume principal or interest rate risk on loans that were funded by its member payment-dependent self-directed retail program (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. As such, the tables presented below exclude retail and certificate loans held for investment at fair value, which were \$4.6 million and \$10.5 million at June 30, 2024 and December 31, 2023, respectively.

Significant Unobservable Inputs

The following significant unobservable inputs were used in the fair value measurement of loans HFI:

	June 30, 2024			December 31, 2023		
	Minimum	Maximum	Weighted-Average	Minimum	Maximum	Weighted-Average
Discount rate	6.3 %	22.8 %	12.4 %	8.4 %	16.2 %	12.8 %
Annualized net charge-off rate ⁽¹⁾	2.1 %	20.8 %	7.0 %	1.9 %	5.9 %	3.7 %
Annualized prepayment rate ⁽¹⁾	16.1 %	24.9 %	20.4 %	18.6 %	27.7 %	22.6 %

⁽¹⁾ The weighted-average rate is calculated using the original principal balance of each the loan pool.

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Fair Value Sensitivity

The sensitivity of loans HFI at fair value to adverse changes in key assumptions was as follows:

	June 30, 2024	December 31, 2023
Loans held for investment at fair value	\$ 334,642	\$ 262,190
Expected remaining weighted-average life (in years)	0.9	0.9
Discount rate:		
100 basis point increase	\$ (2,548)	\$ (1,957)
200 basis point increase	\$ (5,062)	\$ (3,888)
Annualized net charge-off rate:		
10% increase	\$ (2,840)	\$ (1,753)
20% increase	\$ (6,063)	\$ (3,595)
Annualized prepayment rate:		
10% increase	\$ (1,057)	\$ (857)
20% increase	\$ (2,131)	\$ (1,675)

Fair Value Reconciliation

The following table presents loans HFI at fair value activity:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 420,393	\$ 748,618	\$ 262,190	\$ 925,938
Purchases	12,220	—	232,784	4,037
Principal payments	(96,004)	(156,287)	(159,930)	(342,738)
Transfers	—	(191,634)	—	(191,634)
Interest income accretion and fair value adjustments recorded in earnings	(1,967)	3,422	(402)	8,516
Fair value at end of period	\$ 334,642	\$ 404,119	\$ 334,642	\$ 404,119

The following table summarizes the aggregate fair value of the Company's HFI loans held at fair value, as well as the amount that was 90 days or more past due:

	June 30, 2024		December 31, 2023	
	Total	90 or more days past due	Total	90 or more days past due
Aggregate unpaid principal balance	\$ 362,823	\$ 5,843	\$ 281,031	\$ 3,774
Cumulative fair value adjustments	(28,181)	(4,701)	(18,841)	(3,037)
Fair value of loans held for investment	\$ 334,642	\$ 1,142	\$ 262,190	\$ 737

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Asset-Backed Securities Related to Structured Program Transactions

Senior Asset-Backed Securities Related to Structured Program Transactions

Significant Unobservable Inputs

The following significant unobservable input, which includes credit spreads, was used in the fair value measurement of senior asset-backed securities related to Structured Program transactions:

	June 30, 2024			December 31, 2023		
	Minimum	Maximum	Weighted-Average	Minimum	Maximum	Weighted-Average
Discount rate	6.9 %	7.1 %	7.0 %	7.0 %	7.0 %	7.0 %

Fair Value Sensitivity

The sensitivity in the fair value of senior asset-backed securities related to Structured Program transactions to adverse changes in key assumptions was as follows:

	December 31, June 30, 2024	
	2024	2023
Fair value of interests held	\$ 2,312,114	\$ 1,176,403
Expected remaining weighted-average life (in years)	1.4	1.5
Discount rate:		
100 basis point increase	\$ (31,714)	\$ (18,016)
200 basis point increase	\$ (63,429)	\$ (36,033)

Fair Value Reconciliation

The following table presents senior asset-backed securities related to Structured Program transactions activity:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 1,765,259	\$ —	\$ 1,176,403	\$ —
Additions	716,299	144,680	1,413,646	144,680
Cash received	(171,793)	(1,290)	(278,267)	(1,290)
Change in unrealized gain (loss)	2,349	(605)	332	(605)
Fair value at end of period	\$ 2,312,114	\$ 142,785	\$ 2,312,114	\$ 142,785

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Other Asset-Backed Securities Related to Structured Program Transactions

Significant Unobservable Inputs

The following significant unobservable inputs were used in the fair value measurement of other asset-backed securities related to Structured Program transactions:

	June 30, 2024			December 31, 2023			Weighted-Average
	Minimum	Maximum	Weighted-Average	Minimum	Maximum		
Discount rate	6.9 %	11.4 %	8.7 %	8.1 %	10.3 %	9.0 %	
Annualized net charge-off rate ⁽¹⁾	4.4 %	6.0 %	5.3 %	4.9 %	5.9 %	5.5 %	
Annualized prepayment rate ⁽¹⁾	17.4 %	19.7 %	18.8 %	19.2 %	21.0 %	20.1 %	

⁽¹⁾ The weighted-average rate is calculated using the original principal balance of each security.

Fair Value Sensitivity

The sensitivity in the fair value of other asset-backed securities related to Structured Program transactions to adverse changes in key assumptions was as follows:

	December 31,	
	June 30, 2024	2023
Fair value of interests held	\$ 135,545	\$ 73,393
Expected remaining weighted-average life (in years)	1.4	1.5
Discount rate:		
100 basis point increase	\$ (1,685)	\$ (927)
200 basis point increase	\$ (3,302)	\$ (1,836)
Annualized net charge-off rate:		
10% increase	\$ (1,405)	\$ (882)
20% increase	\$ (2,817)	\$ (1,771)
Annualized prepayment rate:		
10% increase	\$ (241)	\$ (203)
20% increase	\$ (476)	\$ (430)

Fair Value Reconciliation

The following table presents other asset-backed securities related to Structured Program transactions activity:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 103,866	\$ 10,397	\$ 73,393	\$ 12,469
Additions	43,887	8,667	86,625	8,780
Cash received	(12,735)	(2,084)	(22,066)	(4,269)
Credit loss (expense) benefit for securities available for sale	809	—	(2,083)	—
Change in unrealized gain (loss)	(282)	—	(324)	—
Fair value at end of period	\$ 135,545	\$ 16,980	\$ 135,545	\$ 16,980

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Servicing Assets

Significant Unobservable Inputs

The following significant unobservable inputs were used in the fair value measurement for servicing assets related to loans sold to investors:

	June 30, 2024			December 31, 2023			Weighted-Average
	Minimum	Maximum	Weighted-Average	Minimum	Maximum		
Discount rate	8.7 %	17.3 %	10.9 %	8.7 %	17.3 %	11.3 %	
Annualized net charge-off rate ⁽¹⁾	1.9 %	23.5 %	8.1 %	1.9 %	24.0 %	8.7 %	
Annualized prepayment rate ⁽¹⁾	15.2 %	24.8 %	19.2 %	15.6 %	25.7 %	20.3 %	
Market servicing rate ⁽²⁾	0.62 %	0.62 %	0.62 %	0.62 %	0.62 %	0.62 %	

(1) The weighted-average rate is calculated using the original principal balance of each loan pool.

(2) The fees a willing market participant would require for the servicing of loans with similar characteristics as those in the Company's serviced portfolio.

Fair Value Sensitivity

The sensitivity of the fair value of servicing assets to adverse changes in key assumptions was as follows:

	December 31,	
	June 30, 2024	2023
Fair value of servicing assets	\$ 69,709	\$ 77,680
Expected remaining weighted-average life (in years)	1.2	1.2
Discount rate:		
100 basis point increase	\$ (618)	\$ (675)
200 basis point increase	\$ (1,236)	\$ (1,349)
Annualized net charge-off rate:		
10% increase	\$ (679)	\$ (878)
20% increase	\$ (1,357)	\$ (1,756)
Annualized prepayment rate:		
10% increase	\$ (1,386)	\$ (1,550)
20% increase	\$ (2,772)	\$ (3,100)

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:

	June 30, 2024	December 31, 2023
Weighted-average market servicing rate assumptions	0.62 %	0.62 %
Change in fair value from:		
Servicing rate increase by 0.10%	\$ (7,956)	\$ (8,719)
Servicing rate decrease by 0.10%	\$ 7,956	\$ 8,719

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Fair Value Reconciliation

The following table presents servicing assets activity:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Fair value at beginning of period	\$ 71,830	\$ 89,241	\$ 77,680	\$ 84,308
Issuances ⁽¹⁾	13,759	13,576	27,337	27,701
Change in fair value, included in Marketplace revenue	(15,868)	(17,074)	(35,296)	(29,650)
Other net changes	(12)	(356)	(12)	3,028
Fair value at end of period	\$ 69,709	\$ 85,387	\$ 69,709	\$ 85,387

⁽¹⁾ Represents the servicing assets recorded when the loans are sold. Included in "Gains on sales of loans" within "Marketplace revenue" on the Income Statement.

Financial Instruments Not Recorded at Fair Value

The following tables present the carrying amount and estimated fair values, by level within the fair value hierarchy, of the Company's assets, and liabilities that are not recorded at fair value on a recurring basis:

June 30, 2024	Carrying Amount	Level 1	Level 2	Level 3	Balance at Fair Value
Assets:					
Loans and leases held for investment, net	\$ 3,999,482	\$ —	\$ —	\$ 4,124,236	\$ 4,124,236
Other assets	39,329	—	38,886	823	39,709
Total assets	\$ 4,038,811	\$ —	\$ 38,886	\$ 4,125,059	\$ 4,163,945
Liabilities:					
Deposits ⁽¹⁾	\$ 1,792,943	\$ —	\$ —	\$ 1,791,688	\$ 1,791,688
Other liabilities	48,123	—	27,609	20,514	48,123
Total liabilities	\$ 1,841,066	\$ —	\$ 27,609	\$ 1,812,202	\$ 1,839,811
December 31, 2023	Carrying Amount	Level 1	Level 2	Level 3	Balance at Fair Value
Assets:					
Loans and leases held for investment, net	\$ 4,539,915	\$ —	\$ —	\$ 4,675,354	\$ 4,675,354
Other assets	37,605	—	36,884	1,017	37,901
Total assets	\$ 4,577,520	\$ —	\$ 36,884	\$ 4,676,371	\$ 4,713,255
Liabilities:					
Deposits ⁽¹⁾	\$ 1,714,889	\$ —	\$ —	\$ 1,714,203	\$ 1,714,203
Borrowings	6,398	—	—	6,398	6,398
Other liabilities	59,015	—	36,823	22,192	59,015
Total liabilities	\$ 1,780,302	\$ —	\$ 36,823	\$ 1,742,793	\$ 1,779,616

⁽¹⁾ Excludes deposit liabilities with no defined or contractual maturities.

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8. Derivative Instruments and Hedging Activities

The Company enters into derivative instruments, including interest rate swaps and interest rate caps, to manage exposure to interest rate risk associated with its fixed-rate assets. In addition, the Company provides credit support agreements to a limited number of strategic investors which are accounted for as credit derivative liabilities.

Derivatives Not Designated as Accounting Hedges

The table below presents the notional and gross fair value amounts of the Company's derivatives that are not designated as accounting hedges:

	June 30, 2024			December 31, 2023		
	Notional	Derivative Liability ⁽¹⁾	Derivative Asset ⁽¹⁾	Notional	Derivative Liability ⁽¹⁾	
Credit derivatives ⁽²⁾	\$ 10,763	\$ (9,814)	\$ —	\$ 7,307	\$ (6,372)	
Interest rate caps	200,000	—	403	—	—	
Total	\$ 210,763	\$ (9,814)	\$ 403	\$ 7,307	\$ (6,372)	

⁽¹⁾ Recorded in "Other liabilities" or "Other assets," as applicable, on the Balance Sheet and in "Operating activities" on the Statement of Cash Flow.

⁽²⁾ Represent credit support agreements related to loan sales, whereby the Company is obligated to make payments to a limited number of strategic investors approximately 18 months after sale if credit losses exceed certain initial agreed-upon thresholds, subject to a maximum dollar amount. The notional amount represents the Company's maximum dollar exposure. The fair value of the credit derivatives is based on the combined impact of both the quantitative and qualitative credit loss forecast.

The table below presents the losses recognized on the Company's derivatives that are not designated as accounting hedges:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Credit derivatives ⁽¹⁾	\$ (2,008)	\$ (945)	\$ (3,442)	\$ (945)
Interest rate caps ⁽²⁾	(63)	—	(63)	—
Total losses	\$ (2,071)	\$ (945)	\$ (3,505)	\$ (945)

⁽¹⁾ The initial fair value of the credit derivative liabilities is recorded in "Gain on sales of loans" with changes in the fair value recorded in "Net fair value adjustments," both within "Marketplace revenue" on the Income Statement.

⁽²⁾ Changes in the fair value of the interest rate cap are recorded in "Net fair value adjustments" within "Marketplace revenue" on the Income Statement.

Derivatives Designated as Accounting Hedges

The Company is exposed to changes in the fair value of its fixed-rate loans due to changes in benchmark interest rates. Beginning in the third quarter of 2023, the Company entered into interest rate swaps to manage its exposure to changes in fair value of these loans attributable to changes in the Secured Overnight Financing Rate (SOFR). The interest rate swaps qualify as fair value hedges and involve the payment of fixed-rate amounts to a counterparty in exchange for the receipt of variable-rate payments over the life of the agreements, ranging from approximately one to three years.

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The table below presents the notional and gross fair value amounts of the Company's fair value hedges:

	June 30, 2024		December 31, 2023	
	Notional	Derivative Asset ⁽¹⁾	Notional	Derivative Liability ⁽¹⁾
Interest rate swaps	\$ 1,300,000	\$ 1,368	\$ 1,500,000	\$ (8,547)

⁽¹⁾ Recorded in "Other assets" or "Other liabilities," as applicable, on the Balance Sheet and in "Operating activities" on the Statement of Cash Flow.

The following table summarizes the gains recognized on the Company's fair value hedges:

	Three Months Ended June 30, 2024		Six Months Ended June 30, 2024	
	Notional	Derivative Asset ⁽¹⁾	Notional	Derivative Liability ⁽¹⁾
Hedged item	\$ (1,785)	\$ (10,457)		
Derivatives used for hedging		1,563		9,915
Interest settlement on derivative ⁽¹⁾		1,396		2,769
Total gains on fair value hedges ⁽²⁾	\$ 1,174	\$ 2,227		

⁽¹⁾ Includes accrued interest receivable and accrued interest payable.

⁽²⁾ Recorded in "Interest and fees on loans held for investment" on the Income Statement.

The following table presents the cumulative basis adjustments for fair value hedges:

Balance Sheet Line Item	June 30, 2024		December 31, 2023	
	Carrying Amount of Closed Portfolio ⁽¹⁾	Cumulative Fair Value Adjustment to Hedged Item	Carrying Amount of Closed Portfolio ⁽¹⁾	Cumulative Fair Value Adjustment to Hedged Item
Loans and leases held for investment at amortized cost	\$ 2,156,120	\$ (1,576)	\$ 3,109,854	\$ 8,881

⁽¹⁾ Represents the amortized cost of the total closed portfolio of loans designated in a portfolio method hedge relationship in which the hedged item is a stated layer that is expected to be remaining at the end of the hedging relationship. At June 30, 2024 and December 31, 2023, the amortized cost of loans designated as the hedged item in the portfolio layer hedging relationship was \$1.3 billion and \$1.5 billion, respectively.

9. Property, Equipment and Software, Net

Property, equipment and software, net, consist of the following:

	June 30, 2024		December 31, 2023	
	Notional	Derivative Asset ⁽¹⁾	Notional	Derivative Liability ⁽¹⁾
Software ⁽¹⁾	\$ 230,752	\$ 209,260		
Leasehold improvements		30,699		30,764
Computer equipment		21,655		21,654
Furniture and fixtures		5,554		5,845
Total property, equipment and software		288,660		267,523
Accumulated depreciation and amortization		(122,510)		(106,006)
Total property, equipment and software, net	\$ 166,150	\$ 161,517		

⁽¹⁾ Includes \$67.9 million and \$66.9 million of development in progress for internally-developed software and \$4.7 million and \$4.6 million of development in progress to customize purchased software as of June 30, 2024 and December 31, 2023, respectively.

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Depreciation and amortization expense on property, equipment and software was \$12.2 million and \$23.9 million for the second quarter and first half of 2024, respectively. Depreciation and amortization expense on property, equipment and software was \$10.6 million and \$21.8 million for the second quarter and first half of 2023, respectively.

10. Goodwill and Intangible Assets

Goodwill

The Company's goodwill balance was \$75.7 million as of both June 30, 2024 and December 31, 2023. The Company did not record any goodwill impairment expense for the second quarters and first halves of 2024 and 2023. Goodwill is not amortized, but is subject to annual impairment tests that are performed in the fourth quarter of each calendar year. For additional detail, see "*Part II – Item 8. Financial Statements and Supplementary Data – Note 1. Summary of Significant Accounting Policies*" in the Annual Report.

Intangible Assets

Intangible assets consist of customer relationships. Intangible assets, net of accumulated amortization, are included in "Other assets" on the Balance Sheet. The gross and net carrying values and accumulated amortization were as follows:

	June 30, 2024	December 31, 2023
Gross carrying value	\$ 54,500	\$ 54,500
Accumulated amortization	(44,207)	(42,365)
Net carrying value	\$ 10,293	\$ 12,135

The customer relationship intangible assets are amortized on an accelerated basis from ten to fourteen years. Amortization expense associated with intangible assets for the second quarter and first half of 2024 was \$0.9 million and \$1.8 million, respectively. Amortization expense associated with intangible assets for the second quarter and first half of 2023 was \$1.0 million and \$2.2 million, respectively. There was no impairment loss for the second quarters and first halves of 2024 and 2023.

The expected future amortization expense for intangible assets as of June 30, 2024, is as follows:

2024	\$ 1,707
2025	2,901
2026	2,252
2027	1,603
2028	945
Thereafter	885
Total	\$ 10,293

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11. Other Assets

Other assets consist of the following:

	June 30, 2024	December 31, 2023
Deferred tax assets, net ⁽¹⁾	\$ 145,220	\$ 151,411
Servicing assets ⁽²⁾	70,152	78,401
Nonmarketable equity investments	44,161	42,891
Accrued interest receivable	39,493	35,793
Operating lease assets	23,027	26,611
Intangible assets, net ⁽³⁾	10,293	12,135
Other	98,240	108,211
Total other assets	\$ 430,586	\$ 455,453

(1) See "Note 16. Income Taxes" for additional detail.

(2) Loans underlying servicing assets had a total outstanding principal balance of \$8.4 billion and \$9.5 billion as of June 30, 2024 and December 31, 2023, respectively.

(3) See "Note 10. Goodwill and Intangible Assets" for additional detail.

12. Deposits

Deposits consist of the following:

	June 30, 2024	December 31, 2023
Interest-bearing deposits:		
Savings and money market accounts	\$ 4,968,644	\$ 4,349,239
Certificates of deposit	1,792,943	1,714,889
Checking accounts	998,045	937,552
Total	7,759,632	7,001,680
Noninterest-bearing deposits		
	335,696	331,806
Total deposits	\$ 8,095,328	\$ 7,333,486

Total certificates of deposit at June 30, 2024 are scheduled to mature as follows:

2024	\$ 1,234,149
2025	537,720
2026	4,637
2027	11,099
2028	2,021
Thereafter	3,317
Total certificates of deposit	\$ 1,792,943

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The following table presents the amount of certificates of deposit with denominations exceeding the Federal Deposit Insurance Corporation (FDIC) limit of \$250 thousand, segregated by time remaining until maturity, as of June 30, 2024:

	Three months or less	Over 3 months through 6 months	Over 6 months through 12 months	Over 12 months	Total
Certificates of deposit	\$ 50,894	\$ 96,095	\$ 55,258	\$ 10,632	\$ 212,879

13. Borrowings

Borrowing Capacity

The following table summarizes the Company's available borrowing capacity and the related pledged collateral:

	June 30, 2024		December 31, 2023	
	Available Borrowing Capacity	Pledged Collateral	Available Borrowing Capacity	Pledged Collateral
RB Discount Window	\$ 2,345,668	\$ 2,802,549	\$ 2,816,508	\$ 3,507,541
ILB of Des Moines	649,783	832,414	661,337	838,511
Total	\$ 2,995,458	3,634,968	3,477,838	4,346,052

Long-term Debt

The following table summarizes the components of the Company's long-term debt, as of the dates indicated:

	June 30, 2024	December 31, 2023
Advances from PPPLF⁽¹⁾:		
Aggregate debt outstanding (fixed interest rate of 0.35%)	\$ —	\$ 6,398
Pledged collateral	\$ —	\$ 6,392
Retail notes and certificates⁽²⁾:		
Aggregate debt outstanding	\$ 4,580	\$ 10,488
Payable on Structured Program borrowings⁽³⁾:		
Aggregate debt outstanding	\$ 894	\$ 2,468
Pledged collateral	\$ 2,755	\$ 3,930

⁽¹⁾ Collateralized by SBA Paycheck Protection Program (PPP) loans originated by the Company. The maturity date of the PPPLF borrowings matches the maturity date of the pledged SBA PPP loans. When loans are forgiven by the SBA, the corresponding PPPLF advance is paid by the Company.

⁽²⁾ The Company does not assume principal or interest rate risk on loans that were funded by Retail Notes because loan balances, interest rates and maturities were matched and offset by an equal balance of notes with the exact same interest rates and maturities. As of December 31, 2020, LendingClub ceased offering and selling Retail Notes. The total balance of outstanding Retail Notes will continue to decline as underlying borrower payments are made.

⁽³⁾ Consists of certificate participations and securities of certain consolidated VIEs held by third-party investors and secured by "Restricted cash" of \$2.8 million as of June 30, 2024 and by "Loans held for investment at fair value" of \$0.5 million and "Restricted cash" of \$3.4 million as of December 31, 2023.

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14. Other Liabilities

Other liabilities consist of the following:

	June 30, 2024	December 31, 2023
Accounts payable and accrued expenses	\$ 60,896	\$ 54,619
Operating lease liabilities	32,308	37,869
Payable to investors ⁽¹⁾	27,609	36,823
Other	76,490	93,490
Total other liabilities	\$ 197,303	\$ 222,801

⁽¹⁾ Represents principal and interest on loans collected by the Company and pending disbursement to investors.

15. Employee Incentive Plans

The Company's equity incentive plans provide for granting awards, including restricted stock units (RSUs), performance-based restricted stock units (PBRSUs), cash awards and stock options to employees, officers and directors.

Stock-based Compensation

Stock-based compensation expense, included in "Compensation and benefits" expense on the Income Statement, was as follows for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
RSUs	\$ 11,573	\$ 16,383	\$ 23,555	\$ 29,973
PBRSUs	(258)	1,762	1,359	2,464
Stock-based compensation expense, gross	11,315	18,145	24,914	32,437
Less: Capitalized stock-based compensation expense	1,866	2,317	3,921	4,721
Stock-based compensation expense, net	\$ 9,449	\$ 15,828	\$ 20,993	\$ 27,716

Restricted Stock Units

The following table summarizes the Company's RSU activity:

	Number of Units	Weighted- Average Grant Date Fair Value
Unvested at December 31, 2023	6,999,831	\$ 9.42
Granted	3,837,787	\$ 8.53
Vested	(2,435,039)	\$ 10.17
Forfeited/expired	(874,797)	\$ 9.14
Unvested at June 30, 2024	7,527,782	\$ 8.76

During the first half of 2024, the Company granted 3,837,787 RSUs with an aggregate fair value of \$32.8 million.

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As of June 30, 2024, there was \$60.5 million of unrecognized compensation cost related to unvested RSUs, which is expected to be recognized over a weighted-average period of approximately 1.9 years, subject to any forfeitures.

Performance-based Restricted Stock Units

The Company's outstanding PBRSU awards have a market-based metric and/or a performance-based metric, each with a three-year performance period, following which any earned portion is immediately vested. With respect to PBRSU awards with a market-based metric, the compensation expense of the award is fixed at the time of grant (incorporating the probability of achieving the market-based metric) and expensed over the performance period. With respect to PBRSU awards with a performance-based metric, the compensation expense of the award is set at the time of grant (assuming a target level of achievement), subsequently adjusted for actual performance during the performance period and expensed over the performance/vesting period.

The following table summarizes the Company's PBRSU activity:

	Number of Units	Weighted- Average Grant Date Fair Value
Unvested at December 31, 2023	1,469,813	\$ 12.60
Granted	462,060	\$ 8.59
Forfeited/expired	(719,664)	\$ 16.64
Unvested at June 30, 2024	1,212,209	\$ 8.68

During the first half of 2024, the Company granted 462,060 PBRSUs with an aggregate fair value of \$4.0 million.

As of June 30, 2024, there was \$5.5 million of unrecognized compensation cost related to unvested PBRSUs, which is expected to be recognized over a weighted-average period of approximately 1.6 years, subject to any forfeitures.

16. Income Taxes

For the second quarter and first half of 2024, the Company recorded an income tax expense of \$1.5 million and \$8.8 million, respectively, representing an effective tax rate of 23.3% and 24.5%, respectively. For the second quarter and first half of 2023, the Company recorded an income tax expense of \$4.7 million and \$8.8 million, respectively, representing an effective tax rate of 31.7% and 27.1%, respectively. The effective tax rate differs from the statutory rate due to the favorable impact of recurring items such as tax credits, the unfavorable impact of the non-deductible portions of executive compensation, and the unfavorable impact of stock-based compensation. The decrease in effective tax rates for 2024 compared to the same periods in 2023 is primarily due to a decrease in the unfavorable impact of stock-based compensation.

The following table summarizes the Company's net deferred tax assets:

	June 30, 2024	December 31, 2023
Deferred tax assets, net of liabilities	\$ 191,328	\$ 197,519
Valuation allowance	(46,108)	(46,108)
Deferred tax assets, net of valuation allowance	\$ 145,220	\$ 151,411

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17. Leases

Lessor Arrangements

The Company has lessor arrangements which consist of sales-type leases for equipment (Equipment Finance). Such arrangements may include options to renew or to purchase the leased equipment at the end of the lease term. For the second quarter and first half of 2024, interest earned on Equipment Finance was \$1.4 million and \$3.1 million, respectively, and is included in "Interest and fees on loans and leases held for investment" on the Income Statement. For the second quarter and first half of 2023, interest earned on Equipment Finance was \$2.3 million and \$5.2 million, respectively.

The components of Equipment Finance assets are as follows:

	June 30, 2024	December 31, 2023
Lease receivables	\$ 68,006	\$ 92,546
Unguaranteed residual asset values	23,204	28,913
Unearned income	(7,897)	(11,072)
Deferred fees	457	605
Total	\$ 83,770	\$ 110,992

Future minimum lease payments based on maturity of the Company's lessor arrangements as of June 30, 2024 were as follows:

2024	\$ 17,138
2025	24,919
2026	15,009
2027	7,603
2028	4,044
Thereafter	1,542
Total lease payments	\$ 70,255
Discount effect	(2,249)
Present value of future minimum lease payments	\$ 68,006

Lessee Arrangements

The Company has various operating leases, including with respect to its headquarters in San Francisco, California, and office spaces in the Salt Lake City, Utah, and Boston, Massachusetts areas. As of June 30, 2024, the lease agreements have remaining lease terms ranging from approximately two years to five years. Some of the lease agreements include options to extend the lease term for up to an additional fifteen years. As of June 30, 2024, the Company pledged \$0.4 million of cash and \$1.1 million in letters of credit as security deposits in connection with its lease agreements.

Balance sheet information related to leases was as follows:

ROU Assets and Lease Liabilities	Balance Sheet Classification	June 30, 2024	December 31, 2023
Operating lease assets	Other assets	\$ 23,027	\$ 26,611
Operating lease liabilities	Other liabilities	\$ 32,308	\$ 37,869

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Net lease costs were \$2.7 million and \$5.2 million during the second quarter and first half of 2024, respectively. Such costs are recorded within "Occupancy" expense on the Income Statement. Net lease costs were \$3.3 million and \$6.3 million during the second quarter and first half of 2023, respectively.

Supplemental cash flow information related to the Company's operating leases was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Non-cash operating activity:				
Leased assets obtained or adjusted in exchange for new, amended, and modified operating lease liabilities ⁽¹⁾	\$ —	\$ —	\$ —	\$ (4,664)

⁽¹⁾ Amounts include noncash remeasurements of the operating lease ROU asset.

The Company's future minimum undiscounted lease payments under operating leases as of June 30, 2024 were as follows:

	Operating Lease Payments
2024	\$ 6,441
2025	13,129
2026	7,228
2027	4,265
2028	3,922
Thereafter	909
Total lease payments	\$ 35,894
Discount effect	(3,586)
Present value of future minimum lease payments	\$ 32,308

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	June 30, 2024	December 31, 2023
Weighted-average remaining lease term (in years)	3.32	3.72
Weighted-average discount rate	4.99 %	5.04 %

18. Commitments and Contingencies

Operating Lease Commitments

For discussion regarding the Company's operating lease commitments, see "Note 17. Leases."

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 loan sales, the Company agreed to repurchase loans if representations and warranties made with respect to

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such loans were breached under certain circumstances. The Company believes such provisions are customary and consistent with institutional loan and securitization market standards.

Unfunded Loan Commitments

As of June 30, 2024 and December 31, 2023, the contractual amount of unfunded loan commitments was \$91.5 million and \$78.1 million, respectively. See "*Note 5. Loans and Leases Held for Investment at Amortized Cost, Net of Allowance for Loan and Lease Losses*" for additional detail related to the reserve for unfunded lending commitments.

Legal

The Company is subject to various claims brought in a litigation or regulatory context. These matters include lawsuits, including but not limited to, putative class action lawsuits and routine litigation matters arising in the ordinary course of business. In addition, the Company, and its business practices and compliance with licensing and other regulatory requirements, is subject to periodic exams, investigations, inquiries or requests, enforcement actions and other proceedings from federal and state regulatory and/or law enforcement agencies, including from the federal banking regulators that directly regulate the Company and/or LC Bank. 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.

Regulatory Examinations and Actions Relating to the Company's Business Practices, Licensing and Compliance with Applicable Laws

The Company is and has been subject to periodic inquiries, exams 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 operating in compliance with applicable laws, including the requirements of its licenses and the regulatory framework applicable to its business.

In the past, the Company has successfully resolved such matters 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. However, no assurances can be given as to the timing, outcome or consequences of these matters or other similar matters if or as they arise.

19. Regulatory Requirements

LendingClub and LC Bank are subject to comprehensive supervision, examination and enforcement, and regulation by the FRB and the Office of the Comptroller of the Currency (OCC), including generally similar capital adequacy requirements adopted by the FRB and the OCC, respectively. These requirements establish required minimum ratios for Common Equity Tier 1 (CET1) risk-based capital, Tier 1 risk-based capital, total risk-based capital and a Tier 1 leverage ratio; set risk-weighting for assets and certain other items for purposes of the risk-based capital ratios; and define what qualifies as capital for purposes of meeting the capital requirements. Failure to meet minimum capital requirements can result in certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company.

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The minimum capital requirements under the Basel Committee on Banking Supervision standardized approach for U.S. banking organizations (Basel III) capital framework are: a CET1 risk-based capital ratio of 4.5%, a Tier 1 risk-based capital ratio of 6.0%, a total risk-based capital ratio of 8.0%, and a Tier 1 leverage ratio of 4.0%. Additionally, a Capital Conservation Buffer (CCB) of 2.5% must be maintained above the minimum risk-based capital requirements in order to avoid certain limitations on capital distributions, stock repurchases, and certain discretionary bonus payments. In addition to these guidelines, the regulators assess any particular institution's capital adequacy based on numerous factors and may require a particular banking organization to maintain capital at levels higher than the generally applicable minimums prescribed under the Basel III capital framework.

The following table summarizes the Company's and LC Bank's regulatory capital amounts (in millions) and ratios:

	June 30, 2024		December 31, 2023		Required Minimum plus Required CCB for Non-Leverage Ratios
	Amount	Ratio	Amount	Ratio	
LendingClub Corporation:					
CET1 capital ⁽¹⁾	\$ 1,123.0	17.9 %	\$ 1,090.2	17.9 %	7.0 %
Tier 1 capital	\$ 1,123.0	17.9 %	\$ 1,090.2	17.9 %	8.5 %
Total capital	\$ 1,203.2	19.2 %	\$ 1,169.2	19.2 %	10.5 %
Tier 1 leverage	\$ 1,123.0	12.1 %	\$ 1,090.2	12.9 %	4.0 %
Risk-weighted assets	\$ 6,274.8	N/A	\$ 6,104.5	N/A	N/A
Quarterly adjusted average assets	\$ 9,252.6	N/A	\$ 8,476.1	N/A	N/A
LendingClub Bank:					
CET1 capital ⁽¹⁾	\$ 964.2	15.5 %	\$ 949.4	15.8 %	7.0 %
Tier 1 capital	\$ 964.2	15.5 %	\$ 949.4	15.8 %	8.5 %
Total capital	\$ 1,043.6	16.8 %	\$ 1,027.4	17.1 %	10.5 %
Tier 1 leverage	\$ 964.2	10.5 %	\$ 949.4	11.4 %	4.0 %
Risk-weighted assets	\$ 6,206.4	N/A	\$ 6,022.2	N/A	N/A
Quarterly adjusted average assets	\$ 9,142.1	N/A	\$ 8,337.4	N/A	N/A

N/A – Not applicable

⁽¹⁾ Consists of common stockholders' equity as defined under U.S. GAAP and certain adjustments made in accordance with regulatory capital guidelines, including the addition of the CECL transitional benefit and deductions for goodwill and other intangible assets.

In response to the COVID-19 pandemic, the FRB, OCC, and FDIC adopted a final rule related to the regulatory capital treatment of the allowance for credit losses under CECL. As permitted by the rule, the Company elected to delay the estimated impact of CECL on regulatory capital resulting in a CET1 capital benefit of \$35 million at December 31, 2021. This benefit is phased out over a three-year transition period that commenced on January 1, 2022 at a rate of 25% each year through January 1, 2025.

The Federal Deposit Insurance Act provides for a system of "prompt corrective action" (PCA). The PCA regime provides for capitalization categories ranging from "well-capitalized" to "critically undercapitalized." An institution's PCA category is determined primarily by its regulatory capital ratios. The PCA requires remedial actions and imposes limitations that become increasingly stringent as its PCA capitalization category declines, including the ability to accept and/or rollover brokered deposits. At June 30, 2024 and December 31, 2023, the Company's and LC Bank's regulatory capital ratios exceeded the thresholds required to be regarded as well-

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capitalized institutions and met all capital adequacy requirements to which they are subject. There have been no events or conditions since June 30, 2024 that management believes would change the Company's categorization.

Federal laws and regulations limit the dividends that a national bank may pay. Dividends that may be paid by a national bank without the express approval of the OCC are limited to that bank's retained net profits for the preceding two calendar years plus retained net profits up to the date of any dividend declaration in the current calendar year. Retained net profits, as defined by the OCC, consist of net income less dividends declared during the period. No dividends were declared by LC Bank during the first half of 2024 or during 2023.

Federal law restricts the amount and the terms of both credit and non-credit transactions between a bank and its nonbank affiliates. These covered transactions may not exceed 10% of the bank's capital and surplus (which for this purpose represents tier 1 and tier 2 capital, as calculated under the risk-based capital rules, plus the balance of the allowance for credit losses excluded from tier 2 capital) with any single nonbank affiliate and 20% of the bank's capital and surplus with all its nonbank affiliates. Covered transactions that are extensions of credit may require collateral to be pledged to provide added security to the bank.

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 Chief Executive Officer and Chief Financial Officer to allocate resources and evaluate financial performance. This information is reviewed according to the legal organizational structure of the Company's operations with products and services presented separately for the parent bank holding company and its wholly-owned subsidiary, LC Bank. Income taxes are recorded on a separate entity basis whereby each operating segment determines income tax expense or benefit as if it filed a separate tax return.

All of the Company's revenue is generated in the United States. The Company has experienced reductions in marketplace investor demand in connection with increases in interest rates and volatility in the macro economy. However, no individual borrower or marketplace investor accounted for 10% or more of total net revenue during the second quarter and first half of 2024. During both the second quarter and first half of 2023, one marketplace bank investor accounted for 14% of total net revenue. No other individual borrower or marketplace investor accounted for 10% or more of total net revenue for any of the periods presented.

LendingClub Bank

The LC Bank operating segment represents the national bank legal entity and reflects post-Acquisition operating activities. This segment provides a full complement of financial products and solutions, including loans, leases and deposits. It originates loans to individuals and businesses, retains loans for investment, sells loans to investors and manages relationships with deposit holders.

LendingClub Corporation (Parent Only)

The LendingClub Corporation (Parent only) operating segment represents the holding company legal entity and predominately reflects the operations of the Company prior to the Acquisition. This activity includes, but is not limited to, servicing fee revenue for loan servicing retained prior to the Acquisition, and interest income and interest expense related to the Retail Program and Structured Program transactions entered into prior to the Acquisition.

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Financial information for the segments is presented in the following tables:

	LendingClub Bank		LendingClub Corporation (Parent only)		Intercompany Eliminations		Consolidated Total	
	Three Months Ended June 30,		Three Months Ended June 30,		Three Months Ended June 30,		Three Months Ended June 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
Non-interest income:								
Marketplace revenue	\$ 39,533	\$ 62,006	\$ 10,946	\$ 7,772	\$ 5,874	\$ 13,005	\$ 56,353	\$ 82,783
Other non-interest income	12,387	21,743	1,903	2,431	(11,930)	(21,139)	2,360	3,035
Total non-interest income	51,920	83,749	12,849	10,203	(6,056)	(8,134)	58,713	85,818
Interest income:								
Interest income	217,814	210,514	1,820	3,972	—	—	219,634	214,486
Interest expense	(90,888)	(66,546)	(218)	(1,288)	—	—	(91,106)	(67,834)
Net interest income	126,926	143,968	1,602	2,684	—	—	128,528	146,652
Total net revenue	178,846	227,717	14,451	12,887	(6,056)	(8,134)	187,241	232,470
Provision for credit losses	(35,561)	(66,611)	—	16	—	—	(35,561)	(66,595)
Non-interest expense	(126,857)	(142,563)	(11,457)	(16,650)	6,056	8,134	(132,258)	(151,079)
Income (Loss) before income tax benefit (expense)	16,428	18,543	2,994	(3,747)	—	—	19,422	14,796
Income tax benefit (expense)	(3,872)	(5,429)	(647)	743	—	—	(4,519)	(4,686)
Net income (loss)	\$ 12,556	\$ 13,114	\$ 2,347	\$ (3,004)	\$ —	\$ —	\$ 14,903	\$ 10,110
Capital expenditures	\$ 12,865	\$ 15,857	— \$	— \$	— \$	— \$	\$ 12,865	\$ 15,857
Depreciation and amortization	\$ 10,896	\$ 7,073	\$ 2,176	\$ 4,565	\$ —	\$ —	\$ 13,072	\$ 11,638

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	LendingClub Bank		LendingClub Corporation (Parent only)		Intercompany Eliminations		Consolidated Total	
					Six Months Ended June 30,	Six Months Ended June 30,	Six Months Ended June 30,	Six Months Ended June 30,
	2024	2023	2024	2023	2024	2023	2024	2023
Non-interest income:								
Marketplace revenue	\$ 78,048	\$ 134,694	\$ 20,774	\$ 20,880	\$ 13,422	\$ 22,843	\$ 112,244	\$ 178,417
Other non-interest income	26,082	40,904	3,849	4,984	(25,662)	(39,497)	4,269	6,391
Total non-interest income	104,130	175,598	24,623	25,864	(12,240)	(16,654)	116,513	184,808
Interest income:								
Interest income	422,621	408,844	4,364	8,055	—	—	426,985	416,899
Interest expense	(175,011)	(120,442)	(558)	(3,101)	—	—	(175,569)	(123,543)
Net interest income	247,610	288,402	3,806	4,954	—	—	251,416	293,356
Total net revenue	351,740	464,000	28,429	30,818	(12,240)	(16,654)	367,929	478,164
Provision for credit losses	(67,488)	(137,195)	—	16	—	—	(67,488)	(137,179)
Non-interest expense	(253,353)	(290,946)	(23,378)	(34,095)	12,240	16,654	(264,491)	(308,387)
Income (Loss) before income tax benefit (expense)	30,899	35,859	5,051	(3,261)	—	—	35,950	32,598
Income tax benefit (expense)	(7,557)	(9,685)	(1,240)	863	—	—	(8,797)	(8,822)
Net income (loss)	\$ 23,342	\$ 26,174	\$ 3,811	\$ (2,398)	\$ —	\$ —	\$ 27,153	\$ 23,776
Capital expenditures	\$ 24,646	\$ 32,255	— \$	— \$	— \$	— \$	\$ 24,646	\$ 32,255
Depreciation and amortization	\$ 21,062	\$ 13,967	\$ 4,683	\$ 10,025	\$ —	\$ —	\$ 25,745	\$ 23,992

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	LendingClub Bank		LendingClub Corporation (Parent only)		Intercompany Eliminations		Consolidated Total	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Assets								
Total cash and cash equivalents	\$ 917,693	\$ 1,230,206	\$ 136,318	\$ 110,273	\$ (115,892)	\$ (87,975)	\$ 938,119	\$ 1,252,504
Restricted cash	—	—	35,924	46,628	(4,592)	(4,984)	31,332	41,644
Securities available for sale at fair value	2,814,383	1,617,309	—	2,953	—	—	2,814,383	1,620,262
Loans held for sale at fair value	791,059	407,773	—	—	—	—	791,059	407,773
Loans and leases held for investment, net	3,999,482	4,539,915	—	—	—	—	3,999,482	4,539,915
Loans held for investment at fair value ⁽¹⁾	330,825	253,800	8,397	18,878	—	—	339,222	272,678
Property, equipment and software, net	153,772	144,439	12,378	17,078	—	—	166,150	161,517
Investment in subsidiary	—	—	839,334	816,703	(839,334)	(816,703)	—	—
Goodwill	75,717	75,717	—	—	—	—	75,717	75,717
Other assets	341,643	341,680	107,297	131,135	(18,354)	(17,362)	430,586	455,453
Total assets	9,424,574	8,610,839	1,139,648	1,143,648	(978,172)	(927,024)	9,586,050	8,827,463
Liabilities and Equity								
Total deposits	8,215,812	7,426,445	—	—	(120,484)	(92,959)	8,095,328	7,333,486
Borrowings ⁽¹⁾	—	6,398	5,474	12,956	—	—	5,474	19,354
Other liabilities	143,986	154,077	71,671	86,086	(18,354)	(17,362)	197,303	222,801
Total liabilities	8,359,798	7,586,920	77,145	99,042	(138,838)	(110,321)	8,298,105	7,575,641
Total equity	1,064,776	1,023,919	1,062,503	1,044,606	(839,334)	(816,703)	1,287,945	1,251,822
Total liabilities and equity	\$ 9,424,574	\$ 8,610,839	\$ 1,139,648	\$ 1,143,648	\$ (978,172)	\$ (927,024)	\$ 9,586,050	\$ 8,827,463

⁽¹⁾ Prior period amounts have been reclassified to conform to the current period presentation.

LENDINGCLUB CORPORATION
Management's Discussion and Analysis of Financial Condition and Results of Operations
(Tabular Amounts in Thousands, Except Share and Per Share Data and Ratios, or as Noted)

Item 2. 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 condensed consolidated financial statements and related notes that appear in this Quarterly Report on Form 10-Q (Report). In addition to historical condensed 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 elsewhere in this Report, and in "Part I – Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 (Annual Report) as modified by "Part II – Item 1A. Risk Factors" in this Report. The forward-looking statements included in this Report are made only as of the date hereof and we do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

LENDINGCLUB CORPORATION
Management's Discussion and Analysis of Financial Condition and Results of Operations
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Overview

LendingClub was founded in 2006 and brought a traditional credit product – the installment loan – into the digital age by leveraging technology, data science, and a unique marketplace model. In February 2021, LendingClub completed the acquisition of Radius, becoming a bank holding company and forming LC Bank as its wholly-owned subsidiary. LendingClub now operates a leading digital marketplace bank and is one of a small number of fintech companies with a national bank charter. We are building a new kind of bank, one that aims to advantage our members with the information, tools, and guidance they need to achieve their own version of financial success. We do this by leveraging data and technology to increase access to credit, lower borrowing costs, and improve the return on savings – all through a smart, simple, and rewarding digital experience.

Executive Summary

Despite the interest rate environment and broader economic volatility adversely impacting our business, predominantly through investor demand and pricing for marketplace loans, we have been able to sustain GAAP profitability as a result of our loan credit performance, expense discipline, strong execution and continued innovation. Furthermore, we maintained strong liquidity and capital levels and delivered the following results.

- **Loan originations:** Loan originations for the second quarter of 2024 increased \$166.3 million, or 10%, sequentially and decreased \$197.8 million, or 10%, year over year. The sequential increase was driven by an increase in unsecured personal loan origination volume combined with investor demand for Structured Certificates. The year-over-year decrease was primarily driven by a decrease in unsecured personal loan origination volume. We attribute the decrease in volume and investor demand to the elevated interest rate environment.
 - Loan originations held for investment (HFI) at amortized cost for the second quarter of 2024 increased \$50.3 million, or 18%, sequentially and decreased \$321.7 million, or 49%, year over year.
 - Loan originations HFI at amortized cost as a percentage of loan originations was 19% and 17% for the second and first quarters of 2024, respectively, and 33% for the second quarter of 2023. The percentage of loan originations HFI in any period is dependent on many factors, including quarterly loan origination volume, risk-adjusted returns, liquidity and general regulatory capital considerations.
- **Total net revenue:** Total net revenue for the second quarter of 2024 increased \$6.6 million, or 4%, sequentially and decreased \$45.2 million, or 19%, year over year.
 - **Marketplace revenue:** Marketplace revenue for the second quarter of 2024 increased \$0.5 million, or 1%, sequentially and decreased \$26.4 million, or 32%, year over year. The year-over-year decrease was primarily due to a decrease in marketplace loan origination volume and lower loan sale prices resulting from a shift in investor demand from banks to asset managers.
 - **Net interest income:** Net interest income for the second quarter of 2024 increased \$5.6 million, or 5%, sequentially and decreased \$18.1 million, or 12%, year over year. The sequential increase was primarily due to growth in total interest-earning assets, offset by an increase in interest expense associated with higher deposit funding costs. The year-over-year decrease was primarily driven by a shift in asset mix from loans to senior securities and an increase in interest expense associated with higher deposit funding costs.
 - **Net interest margin:** Net interest margin for the second quarter of 2024 was 5.75%, remaining flat compared to the first quarter of 2024 and decreasing from 7.09% in the second quarter of 2023.
- **Provision for credit losses:** Provision for credit losses for the second quarter of 2024 increased \$3.6 million, or 11%, sequentially and decreased \$31.0 million, or 47%, year over year. The sequential increase was primarily driven by an increase in initial provision from a higher volume of originated loans retained as HFI at amortized cost, offset by a lower discounting effect of the net present value (NPV) on prior loan vintages, and the impact

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of a \$5.3 million provision in our Commercial Real Estate (CRE) portfolio due to one office loan. Excluding this one office loan, the CRE office loan portfolio balance was under \$40 million as of June 30, 2024. The majority of office loans were originated prior to the Acquisition. The year-over-year decrease reflects a decrease in the initial provision for credit losses from a lower volume of originated loans retained as HFI at amortized cost.

- **Total non-interest expense:** Total non-interest expense for the second quarter of 2024 remained relatively flat sequentially and decreased \$18.8 million, or 12%, year over year. The year-over-year decrease was primarily driven by a decrease in compensation and benefits expense due to a decrease in headcount as a result of the workforce reduction plans we implemented in 2023.
- **Net income:** Net income for the second quarter of 2024 increased \$2.7 million, or 22%, sequentially and \$4.8 million, or 47%, year over year.
- **Diluted earnings per share (EPS):** Diluted EPS for the second quarter of 2024 was \$0.13, compared to \$0.11 for the first quarter of 2024 and \$0.09 for the same quarter last year.
- **Pre-provision net revenue (PPNR):** Pre-provision net revenue for the second quarter of 2024 increased \$6.5 million, or 13%, sequentially and decreased \$26.4 million, or 32%, year over year.
- **Total assets:** Total assets as of June 30, 2024 increased \$341.2 million, or 4%, sequentially and \$1.2 billion, or 15%, year over year. The increases primarily reflect growth in securities related to our Structured Certificates program and growth in loans held for sale (HFS) related to our extended seasoning program, partially offset by decreases in loans HFI.
- **Deposits:** Total deposits as of June 30, 2024 increased \$573.7 million, or 8%, sequentially, and \$1.3 billion, or 18%, year over year. The increases primarily reflect growth in high-yield savings and certificates of deposit. Federal Deposit Insurance Corporation (FDIC)-insured deposits represent approximately 87% of total deposits as of June 30, 2024.

The above summary should be read in conjunction with this Management's Discussion and Analysis of Financial Condition and Results of Operations in its entirety. For additional discussion related to our operating segments, see "Segment Information."

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Financial Highlights

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 select financial metrics for the periods presented:

	As of and for the Three Months Ended			As of and for the Six Months Ended June 30,	
	June 30, 2024	March 31, 2024	June 30, 2023	2024	2023
Non-interest income	\$ 58,713	\$ 57,800	\$ 85,818	\$ 116,513	\$ 184,808
Net interest income	128,528	122,888	146,652	251,416	293,356
Total net revenue	187,241	180,688	232,470	367,929	478,164
Non-interest expense	132,258	132,233	151,079	264,491	308,387
Pre-provision net revenue ⁽¹⁾	54,983	48,455	81,391	103,438	169,777
Provision for credit losses	35,561	31,927	66,595	67,488	137,179
Income before income tax expense	19,422	16,528	14,796	35,950	32,598
Income tax expense	(4,519)	(4,278)	(4,686)	(8,797)	(8,822)
Net income	14,903	12,250	10,110	27,153	23,776
Basic EPS	\$ 0.13	\$ 0.11	\$ 0.09	\$ 0.24	\$ 0.22
Diluted EPS	\$ 0.13	\$ 0.11	\$ 0.09	\$ 0.24	\$ 0.22
LendingClub Corporation Performance Metrics:					
Net interest margin	5.75 %	5.75 %	7.09 %	5.75 %	7.29 %
Efficiency ratio ⁽²⁾	70.6 %	73.2 %	65.0 %	71.9 %	64.5 %
Return on average equity (ROE)	4.7 %	3.9 %	3.4 %	4.3 %	4.0 %
Return on average total assets (ROA)	0.6 %	0.5 %	0.5 %	0.6 %	0.6 %
Marketing as a % of loan originations	1.47 %	1.47 %	1.19 %	1.47 %	1.18 %
LendingClub Corporation Capital Metrics:					
Common equity tier 1 capital ratio	17.9 %	17.6 %	16.1 %		
Tier 1 leverage ratio	12.1 %	12.5 %	12.4 %		
Book value per common share	\$ 11.52	\$ 11.40	\$ 11.09		
Tangible book value per common share ⁽¹⁾	\$ 10.75	\$ 10.61	\$ 10.26		
Loan Originations (in millions)⁽³⁾:					
Marketplace loans	\$ 1,477	\$ 1,361	\$ 1,353	\$ 2,838	\$ 2,639
Loan originations held for investment	336	285	657	621	1,659
Total loan originations	\$ 1,813	\$ 1,646	\$ 2,011	\$ 3,459	\$ 4,298
Loan originations held for investment as % of total loan originations	19 %	17 %	33 %	18 %	39 %
Servicing portfolio AUM (in millions)⁽⁴⁾:					
Total servicing portfolio	\$ 12,999	\$ 13,437	\$ 15,669		
Loans serviced for others	\$ 8,337	\$ 8,671	\$ 10,204		

(1) Represents a non-GAAP financial measure. See "Non-GAAP Financial Measures" for additional information.

(2) Calculated as the ratio of non-interest expense to total net revenue.

(3) Includes unsecured personal loans and auto loans only.

(4) Assets under management (AUM) reflects loans serviced on our platform, which includes outstanding balances of unsecured personal loans, auto refinance loans and education and patient finance loans serviced for others and retained for investment by the Company.

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	As of and for the Three Months Ended		
	June 30, 2024	March 31, 2024	June 30, 2023
Balance Sheet Data:			
Securities available for sale	\$ 2,814,383	\$ 2,228,500	\$ 523,579
Loans held for sale at fair value	\$ 791,059	\$ 550,415	\$ 250,361
Loans and leases held for investment at amortized cost	\$ 4,228,391	\$ 4,505,816	\$ 5,533,349
Gross allowance for loan and lease losses ⁽¹⁾	\$ (285,368)	\$ (311,794)	\$ (383,960)
Recovery asset value ⁽²⁾	\$ 56,459	\$ 52,644	\$ 28,797
Allowance for loan and lease losses	\$ (228,909)	\$ (259,150)	\$ (355,163)
Loans and leases held for investment at amortized cost, net	\$ 3,999,482	\$ 4,246,666	\$ 5,178,186
Loans held for investment at fair value ⁽³⁾	\$ 339,222	\$ 427,396	\$ 430,956
Total loans and leases held for investment ⁽³⁾	\$ 4,338,704	\$ 4,674,062	\$ 5,609,142
Total assets	\$ 9,586,050	\$ 9,244,828	\$ 8,342,506
Total deposits	\$ 8,095,328	\$ 7,521,655	\$ 6,843,535
Total liabilities	\$ 8,298,105	\$ 7,978,542	\$ 7,136,983
Total equity	\$ 1,287,945	\$ 1,266,286	\$ 1,205,523
Allowance Ratios⁽⁴⁾:			
ALLL to total loans and leases held for investment at amortized cost	5.4 %	5.8 %	6.4 %
ALLL to commercial loans and leases held for investment at amortized cost	2.7 %	1.9 %	1.9 %
ALLL to consumer loans and leases held for investment at amortized cost	5.9 %	6.4 %	7.1 %
Gross ALLL to consumer loans and leases held for investment at amortized cost	7.5 %	7.8 %	7.7 %
Net charge-offs	\$ 66,818	\$ 80,483	\$ 59,884
Net charge-off ratio ⁽⁵⁾	6.2 %	6.9 %	4.4 %

(1) Represents the allowance for future estimated net charge-offs on existing portfolio balances.

(2) Represents the negative allowance for expected recoveries of amounts previously charged-off.

(3) Prior period amounts have been reclassified to conform to the current period presentation.

(4) Calculated as ALLL or gross ALLL, where applicable, to the corresponding portfolio segment balance of loans and leases held for investment at amortized cost.

(5) Calculated as annualized net charge-offs divided by average outstanding loans and leases HFI at amortized cost, net, during the period.

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Results of Operations

The following table sets forth the Condensed Consolidated Statements of Income (Income Statement) data for each of the periods presented:

	Three Months Ended			Change (%)	
	June 30, 2024	March 31, 2024	June 30, 2023	Q2 2024 vs Q1 2024	Q2 2024 vs Q2 2023
Non-interest income:					
Marketplace revenue	\$ 56,353	\$ 55,891	\$ 82,783	1 %	(32)%
Other non-interest income	2,360	1,909	3,035	24 %	(22)%
Total non-interest income	58,713	57,800	85,818	2 %	(32)%
Interest income:					
Interest on loans held for sale	26,721	14,699	4,433	82 %	503 %
Interest and fees on loans and leases held for investment	124,819	132,393	162,085	(6)%	(23)%
Interest on loans held for investment at fair value ⁽¹⁾	12,047	8,409	22,886	43 %	(47)%
Interest on securities available for sale	42,879	35,347	5,948	21 %	621 %
Other interest income	13,168	16,503	19,134	(20)%	(31)%
Total interest income	219,634	207,351	214,486	6 %	2 %
Interest expense:					
Interest on deposits	90,193	83,963	66,521	7 %	36 %
Other interest expense ⁽¹⁾	913	500	1,313	83 %	(30)%
Total interest expense	91,106	84,463	67,834	8 %	34 %
Net interest income	128,528	122,888	146,652	5 %	(12)%
Total net revenue	187,241	180,688	232,470	4 %	(19)%
Provision for credit losses	35,561	31,927	66,595	11 %	(47)%
Non-interest expense:					
Compensation and benefits	56,540	59,554	71,553	(5)%	(21)%
Marketing	26,665	24,136	23,940	10 %	11 %
Equipment and software	12,360	12,684	13,968	(3)%	(12)%
Depreciation and amortization	13,072	12,673	11,638	3 %	12 %
Professional services	7,804	7,091	9,974	10 %	(22)%
Occupancy	3,941	3,861	4,684	2 %	(16)%
Other non-interest expense	11,876	12,234	15,322	(3)%	(22)%
Total non-interest expense	132,258	132,233	151,079	— %	(12)%
Income before income tax expense	19,422	16,528	14,796	18 %	31 %
Income tax expense	(4,519)	(4,278)	(4,686)	6 %	(4)%
Net income	\$ 14,903	\$ 12,250	\$ 10,110	22 %	47 %

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	Six Months Ended June 30,		
	2024	2023	Change (%)
Non-interest income:			
Marketplace revenue	\$ 112,248	178,417	(37) %
Other non-interest income	4,269	6,391	(33) %
Total non-interest income	116,513	184,808	(37) %
Interest income:			
Interest on loans held for sale	41,420	10,190	306 %
Interest and fees on loans and leases held for investment	257,212	312,552	(18) %
Interest on loans held for investment at fair value ⁽¹⁾	20,456	51,461	(60) %
Interest on securities available for sale	78,226	9,848	694 %
Other	29,671	32,848	(10) %
Total interest income	426,985	416,899	2 %
Interest expense:			
Interest on deposits	174,156	119,794	45 %
Other interest expense ⁽¹⁾	1,413	3,749	(62) %
Total interest expense	175,569	123,543	42 %
Net interest income	251,416	293,356	(14) %
Total net revenue	367,929	478,164	(23) %
Provision for credit losses	67,488	137,179	(51) %
Non-interest expense:			
Compensation and benefits	116,094	144,860	(20) %
Marketing	50,801	50,820	— %
Equipment and software	25,044	27,664	(9) %
Depreciation and amortization	25,745	23,992	7 %
Professional services	14,895	19,032	(22) %
Occupancy	7,802	8,994	(13) %
Other non-interest expense	24,110	33,025	(27) %
Total non-interest expense	264,491	308,387	(14) %
Income before income tax expense	35,950	32,598	10 %
Income tax expense	(8,797)	(8,822)	— %
Net income	\$ 27,158	23,776	14 %

⁽¹⁾ Prior period amounts have been reclassified to conform to the current period presentation.

The analysis below is presented for the following periods: Second quarter of 2024 compared to the first quarter of 2024 (sequential), second quarter of 2024 compared to the second quarter of 2023 (year over year) and first half of 2024 compared to the first half of 2023 (six months over six months).

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Marketplace Revenue

Marketplace revenue consists of the following:

	Three Months Ended			Change (%)	
	June 30, 2024	March 31, 2024	June 30, 2023	Q2 2024 vs Q1 2024	Q2 2024 vs Q2 2023
Origination fees	\$ 77,131	\$ 70,079	\$ 70,989	10 %	9 %
Servicing fees	19,869	19,592	22,015	1 %	(10) %
Gain on sales of loans	10,748	10,909	13,221	(1) %	(19) %
Net fair value adjustments	(51,395)	(44,689)	(23,442)	15 %	119 %
Total marketplace revenue	\$ 56,353	\$ 55,891	\$ 82,783	1 %	(32) %

	Six Months Ended June 30,		Change (%)
	2024	2023	
Origination fees	\$ 147,280	\$ 141,532	4 %
Servicing fees	39,461	48,395	(18) %
Gain on sales of loans	21,657	27,346	(21) %
Net fair value adjustments	(96,084)	(38,856)	147 %
Total marketplace revenue	\$ 112,284	\$ 178,417	(37) %

We elected to account for HFS loans under the fair value option. With the election of the fair value option, origination fees, net fair value adjustments prior to the sales of the loans, and servicing asset gains on the sales of the loans, are reported as separate components within "Marketplace revenue."

Origination Fees

Origination fees recorded as a component of marketplace revenue are primarily fees earned related to originating and issuing unsecured personal loans that are HFS.

The following table presents loan origination volume during each of the periods set forth below:

	Three Months Ended			Change (%)	
	June 30, 2024	March 31, 2024	June 30, 2023	Q2 2024 vs Q1 2024	Q2 2024 vs Q2 2023
Marketplace loans	\$ 1,477,116	\$ 1,361,177	\$ 1,353,134	9 %	9 %
Loan originations held for investment	335,646	285,322	657,380	18 %	(49) %
Total loan originations ⁽¹⁾	\$ 1,812,762	\$ 1,646,499	\$ 2,010,514	10 %	(10) %

	Six Months Ended June 30,		Change (%)
	2024	2023	
Marketplace loans	\$ 2,838,293	\$ 2,638,782	8 %
Loan originations held for investment	620,968	1,659,369	(63) %
Total loan originations ⁽¹⁾	\$ 3,459,261	\$ 4,298,151	(20) %

⁽¹⁾ Includes unsecured personal loans and auto loans only.

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Sequential: Origination fees were \$77.1 million and \$70.1 million for the second and first quarters of 2024, respectively, an increase of 10%.

Year Over Year: Origination fees were \$77.1 million and \$71.0 million for the second quarters of 2024 and 2023, respectively, an increase of 9%.

Six Months Over Six Months: Origination fees were \$147.2 million and \$141.5 million for the first halves of 2024 and 2023, respectively, an increase of 4%.

The increases in origination fees were primarily due to higher origination volumes of marketplace loans.

Servicing Fees

We receive servicing fees to compensate us for servicing loans on behalf of investors, including managing payments from borrowers, collections and payments to those investors. Servicing fee revenue related to loans sold also includes the change in fair value of servicing assets associated with the loans.

The table below illustrates AUM serviced on our platform by the method in which the loans were financed as of the periods presented. Loans sold and subsequently serviced on behalf of the investor represent a key driver of our servicing fee revenue.

	As of the period ended,			Change (%)	
	June 30, 2024	March 31, 2024	June 30, 2023	Q2 2024 vs Q1 2024	Q2 2024 vs Q2 2023
AUM (in millions):					
Loans sold	\$ 8,345	\$ 8,683	\$ 10,244	(4)%	(19)%
Loans held by LendingClub Bank	4,654	4,754	5,425	(2)%	(14)%
Total	\$ 12,999	\$ 13,437	\$ 15,669	(3)%	(17)%

In addition to the loans serviced on our marketplace platform, we serviced \$111.6 million, \$124.4 million and \$146.9 million in outstanding principal balance of commercial loans sold as of June 30, 2024, March 31, 2024 and June 30, 2023, respectively.

Sequential: Servicing fees were \$19.9 million and \$19.6 million for the second and first quarters of 2024, respectively, an increase of 1%.

Year Over Year: Servicing fees were \$19.9 million and \$22.0 million for the second quarters of 2024 and 2023, respectively, a decrease of 10%.

Six Months Over Six Months: Servicing fees were \$39.5 million and \$48.4 million for the first halves of 2024 and 2023, respectively, a decrease of 18%.

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The decreases in servicing fees year over year and six months over six months were primarily due to a decrease in loan balances serviced for others.

Gain on Sales of Loans

In connection with loan sales, we recognize a gain or loss on the sale of loans based on the level to which the contractual servicing fee is above or below an estimated market rate of servicing at the time of sale. Additionally, we recognize transaction costs, if any, as a loss on sale of loans.

Sequential: Gain on sales of loans was \$10.7 million and \$10.9 million for the second and first quarters of 2024, respectively, a decrease of 1%.

Year Over Year: Gain on sales of loans was \$10.7 million and \$13.2 million for the second quarters of 2024 and 2023, respectively, a decrease of 19%.

Six Months Over Six Months: Gain on sales of loans was \$21.7 million and \$27.3 million for the first halves of 2024 and 2023, respectively, a decrease of 21%.

The decreases in the gain on sales of loans were primarily due to a decrease in the volume of marketplace loans sold.

Net Fair Value Adjustments

We record fair value adjustments on loans that are recorded at fair value, including gains or losses from sale prices in excess of or less than the loan principal amount sold.

Sequential: Net fair value adjustments were \$(51.4) million and \$(44.7) million for the second and first quarters of 2024, respectively, an increased loss of \$6.7 million.

Year Over Year: Net fair value adjustments were \$(51.4) million and \$(23.4) million for the second quarters of 2024 and 2023, respectively, an increased loss of \$28.0 million.

Six Months Over Six Months: Net fair value adjustments were \$(96.1) million and \$(38.9) million for the first halves of 2024 and 2023, respectively, an increased loss of \$57.2 million.

The increased losses were primarily due to a higher origination volume of marketplace loans. Additionally, the increased losses year over year and six months over six months were also attributable to lower loan sales prices.

Net fair value adjustments primarily consist of fair value adjustments on our loans HFS portfolio. See "Notes to Condensed Consolidated Financial Statements – Note 7. Fair Value Measurements" for additional information related to the significant unobservable inputs used in the fair value measurement of loans HFS and activity within the loans HFS portfolio.

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Net Interest Income

The table below presents net interest income information corresponding to interest-earning assets and interest-bearing funding sources. The average yield/rate is calculated by dividing the annualized period-end interest income/expense by the average balance.

	Three Months Ended June 30, 2024			Three Months Ended March 31, 2024			Three Months Ended June 30, 2023		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
Interest-earning assets⁽¹⁾									
Cash, cash equivalents, restricted cash and other	\$ 976,330	\$ 13,168	5.40 %	\$ 1,217,395	\$ 16,503	5.42 %	\$ 1,512,700	\$ 19,134	5.06 %
Securities available for sale at fair value	2,406,767	42,879	7.13 %	1,972,561	35,347	7.17 %	437,473	5,948	5.44 %
Loans held for sale at fair value	838,143	26,721	12.75 %	467,275	14,699	12.58 %	106,865	4,433	16.59 %
Loans and leases held for investment at amortized cost:									
Unsecured personal loans	3,243,161	108,425	13.37 %	3,518,101	116,055	13.20 %	4,360,506	145,262	13.33 %
Commercial and other consumer loans ⁽²⁾	1,097,846	16,394	5.97 %	1,115,931	16,338	5.86 %	1,156,751	16,823	5.82 %
Loans and leases held for investment at amortized cost	4,341,007	124,819	11.50 %	4,634,032	132,393	11.43 %	5,517,257	162,085	11.75 %
Loans held for investment at fair value ⁽²⁾	383,872	12,047	12.55 %	256,335	8,409	13.12 %	703,729	22,886	13.01 %
Total loans and leases held for investment ⁽²⁾	4,724,879	136,866	11.59 %	4,890,367	140,802	11.52 %	6,220,986	184,971	11.89 %
Total interest-earning assets	8,946,119	219,634	9.82 %	8,547,598	207,351	9.70 %	8,278,024	214,486	10.36 %
 Cash and due from banks and restricted cash									
	55,906			58,440			78,221		
Allowance for loan and lease losses	(245,478)			(291,168)			(354,348)		
Other non-interest earning assets	632,253			631,468			686,956		
Total assets	\$ 9,388,800			\$ 8,946,338			\$ 8,688,853		
 Interest-bearing liabilities									
Interest-bearing deposits:									
Checking and money market accounts	\$ 1,097,696	\$ 10,084	3.69 %	\$ 1,054,614	\$ 9,410	3.59 %	\$ 1,397,302	\$ 7,760	2.23 %
Savings accounts and certificates of deposit	6,449,061	80,109	5.00 %	6,069,942	74,553	4.94 %	5,546,862	58,761	4.25 %
Interest-bearing deposits	7,546,757	90,193	4.81 %	7,124,556	83,963	4.74 %	6,944,164	66,521	3.84 %
Other interest-bearing liabilities	56,628	913	6.45 %	26,571	500	7.53 %	64,169	1,313	8.18 %
Total interest-bearing liabilities	7,603,385	91,106	4.82 %	7,151,127	84,463	4.75 %	7,008,333	67,834	3.88 %

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	Three Months Ended June 30, 2024			Three Months Ended March 31, 2024			Three Months Ended June 30, 2023		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
Noninterest-bearing deposits	303,199			317,430			205,750		
Other liabilities	215,608			220,544			272,142		
Total liabilities	\$ 8,122,192			\$ 7,689,101			\$ 7,486,225		
Total equity	\$ 1,266,608			\$ 1,257,237			\$ 1,202,628		
Total liabilities and equity	\$ 9,388,800			\$ 8,946,338			\$ 8,688,853		
Interest rate spread		5.00 %			4.95 %			6.48 %	
Net interest income and net interest margin	\$ 128,528	5.75 %		\$ 122,888	5.75 %		\$ 146,652	7.09 %	

(1) Nonaccrual loans and any related income are included in their respective loan categories.

(2) Prior period amounts have been reclassified to conform to the current period presentation.

An analysis of the sequential and year-over-year changes in the categories of interest revenue and interest expense resulting from changes in volume and rate is as follows:

	Three Months Ended June 30, 2024 Compared to Three Months Ended March 31, 2024			Increase (Decrease) Due to Change in:		
			Average Volume ⁽¹⁾	Average Yield/Rate ⁽¹⁾	Total	
	Interest-earning assets					
Cash, cash equivalents, restricted cash and other	\$	(3,255)	\$ (80)	\$ (3,335)		
Securities available for sale at fair value			7,737	(205)	7,532	
Loans held for sale at fair value			11,822	200	12,022	
Loans and leases held for investment at amortized cost		(8,420)		846	(7,574)	
Loans and leases held for investment at fair value		4,017		(379)	3,638	
Total increase in interest income on interest-earning assets	\$	11,901	\$	382	\$	12,283
Interest-bearing liabilities						
Checking and money market accounts	\$	391	\$ 283	\$ 674		
Savings accounts and certificates of deposit		4,701		855	5,556	
Interest-bearing deposits			5,092	1,138	6,230	
Other interest-bearing liabilities			493	(80)	413	
Total increase in interest expense on interest-bearing liabilities	\$	5,585	\$	1,058	\$	6,643
Increase (decrease) in net interest income	\$	6,316	\$	(676)	\$	5,640

(1) Volume and rate changes have been allocated on a consistent basis using the respective percentage changes in average balances and average rates.

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	Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023		
	Increase (Decrease) Due to Change in:		
	Average Volume ⁽¹⁾	Average Yield/Rate ⁽¹⁾	Total
Interest-earning assets			
Cash, cash equivalents, restricted cash and other	\$ (7,164)	\$ 1,198	\$ (5,966)
Securities available for sale at fair value	34,549	2,382	36,931
Loans held for sale at fair value	23,543	(1,255)	22,288
Loans and leases held for investment at amortized cost	(33,888)	(3,378)	(37,266)
Loans and leases held for investment at fair value ⁽²⁾	(10,064)	(775)	(10,839)
Total increase (decrease) in interest income on interest-earning assets	\$ 6,976	\$ (1,828)	\$ 5,148
Interest-bearing liabilities			
Checking and money market accounts	\$ (1,947)	\$ 4,271	\$ 2,324
Savings accounts and certificates of deposit	10,259	11,089	21,348
Interest-bearing deposits	8,312	15,360	23,672
Other interest-bearing liabilities ⁽²⁾	(143)	(257)	(400)
Total increase in interest expense on interest-bearing liabilities	\$ 8,169	\$ 15,103	\$ 23,272
Decrease in net interest income	\$ (1,193)	\$ (16,931)	\$ (18,124)

(1) Volume and rate changes have been allocated on a consistent basis using the respective percentage changes in average balances and average rates.

(2) Prior period amounts have been reclassified to conform to the current period presentation.

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	Six Months Ended June 30, 2024			Six Months Ended June 30, 2023		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
Interest-earning assets⁽¹⁾						
Cash, cash equivalents, restricted cash and other	\$ 1,096,802	29,671	5.41%	1,367,495	32,848	4.80%
Securities available for sale at fair value	2,189,664	78,226	7.15%	400,422	9,848	4.92%
Loans held for sale at fair value	652,709	41,420	12.69%	108,712	10,190	18.75%
Loans and leases held for investment at amortized cost:						
Unsecured personal loans	3,380,631	224,480	13.28%	4,214,421	278,949	13.24%
Commercial and other consumer loans ⁽²⁾	1,106,888	32,732	5.91%	1,166,075	33,603	5.76%
Loans and leases held for investment at amortized cost	4,487,519	257,212	11.46%	5,380,496	312,552	11.62%
Loans held for investment at fair value ⁽²⁾	320,105	20,456	12.78%	792,788	51,461	12.98%
Total loans and leases held for investment ⁽²⁾	4,807,624	277,668	11.55%	6,173,284	364,013	11.79%
Total interest-earning assets	8,746,859	426,985	9.76%	8,049,913	416,899	10.36%
Cash and due from banks and restricted cash	57,173			75,067		
Allowance for loan and lease losses	(268,323)			(346,398)		
Other non-interest earning assets	631,860			676,861		
Total assets	\$ 9,167,569			\$ 8,455,443		
Interest-bearing liabilities						
Interest-bearing deposits:						
Checking and money market accounts	\$ 1,076,155	19,494	3.64%	1,514,843	15,328	2.04%
Savings accounts and certificates of deposit	6,259,502	154,662	4.97%	5,149,379	104,466	4.09%
Interest-bearing deposits	7,335,657	174,156	4.77%	6,664,222	119,794	3.62%
Other interest-bearing liabilities ⁽²⁾	41,599	1,413	6.80%	108,858	3,749	6.89%
Total interest-bearing liabilities	7,377,256	175,569	4.79%	6,773,080	123,543	3.68%
Noninterest-bearing deposits	310,315			223,752		
Other liabilities	218,076			268,028		
Total liabilities	\$ 7,905,647			\$ 7,264,860		
Total equity	\$ 1,261,922			\$ 1,190,583		
Total liabilities and equity	\$ 9,167,569			\$ 8,455,443		
Interest rate spread			4.98%			6.68%
Net interest income and net interest margin	\$ 251,416	5.75%		\$ 293,356	7.29%	

(1) Nonaccrual loans and any related income are included in their respective loan categories.

(2) Prior period amounts have been reclassified to conform to the current period presentation.

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	Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023	Increase (Decrease) Due to Change in:		
		Average Volume ⁽¹⁾	Average Yield/Rate ⁽¹⁾	Total
Interest-earning assets				
Cash, cash equivalents, restricted cash and other	\$ (7,008)	3,825	(3,177)	
Securities available for sale at fair value	62,089	6,289	68,378	
Loans held for sale at fair value	35,520	(4,290)	31,230	
Loans and leases held for investment at amortized cost	(51,234)	(4,106)	(55,340)	
Loans and leases held for investment at fair value ⁽²⁾	(30,218)	(787)	(31,005)	
Total increase in interest income on interest-earning assets	\$ 9,155	938	10,086	
Interest-bearing liabilities				
Checking and money market accounts	\$ (5,418)	9,583	4,166	
Savings accounts and certificates of deposit	25,159	25,037	50,196	
Interest-bearing deposits	19,742	34,620	54,362	
Other interest-bearing liabilities ⁽²⁾	(2,288)	(48)	(2,336)	
Total increase in interest expense on interest-bearing liabilities	\$ 17,458	34,578	52,026	
Decrease in net interest income	\$ (8,298)	(33,648)	(41,940)	

(1) Volume and rate changes have been allocated on a consistent basis using the respective percentage changes in average balances and average rates.
(2) Prior period amounts have been reclassified to conform to the current period presentation.

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Provision for Credit Losses

The allowance for loan and lease losses (ALLL) for lifetime expected losses under CECL on HFI loans and leases at amortized cost is initially recognized as “Provision for credit losses” at the time of origination. The ALLL is estimated using a discounted cash flow (DCF) approach, where effective interest rates are used to calculate the NPV of expected cash flows. The effective interest rates are calculated based on the periodic interest income received from the loan’s contractual cash flows and the net investment in the loan, which includes deferred origination fees and costs, to provide a constant rate of return over the loan term. The NPV from the DCF approach is then compared to the amortized cost basis of the loans and leases to derive expected credit losses. Under the DCF approach, the provision for credit losses in subsequent periods includes a credit loss expense related to the discounting effect due to the passage of time after the initial recognition of ALLL on originated HFI loans at amortized cost.

The provision for credit losses includes the credit loss expense for HFI loans and leases at amortized cost, available for sale (AFS) securities and unfunded lending commitments. The table below illustrates the composition of the provision for credit losses for each period presented, as well as the loan originations held for investment in each period, which is a key driver for credit loss expense:

	Three Months Ended			Six Months Ended June 30,	
	June 30, 2024	March 31, 2024	June 30, 2023	2024	2023
Credit loss expense for loans and leases held for investment	\$ 36,577	\$ 29,246	\$ 66,190	\$ 65,823	\$ 137,040
Credit loss expense (benefit) for securities available for sale	(809)	2,892	—	2,083	—
Credit loss expense (benefit) for unfunded lending commitments	(207)	(211)	405	(418)	139
Total provision for credit losses	\$ 35,561	\$ 31,927	\$ 66,595	\$ 67,488	\$ 137,179
Loan originations held for investment	\$ 335,646	\$ 285,322	\$ 657,380	\$ 620,968	\$ 1,659,369

Sequential: The provision for credit losses was \$35.6 million and \$31.9 million for the second and first quarters of 2024, respectively, an increase of 11%.

Year Over Year: The provision for credit losses was \$35.6 million and \$66.6 million for the second quarters of 2024 and 2023, respectively, a decrease of 47%.

Six Months Over Six Months: The provision for credit losses was \$67.5 million and \$137.2 million for the first halves of 2024 and 2023, respectively, a decrease of 51%.

The changes in the provision for credit losses primarily reflect the change in the initial provision based on the volume of originated loans retained as HFI at amortized cost, offset by a lower discounting effect of the NPV on prior loan vintages. In addition, the sequential increase was due to the impact of a \$5.3 million provision in our CRE portfolio due to one office loan. Excluding this one office loan, the CRE office loan portfolio balance was under \$40 million as of June 30, 2024. The majority of office loans were originated prior to the Acquisition.

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Allowance for Credit Losses

The activity in the allowance for credit losses (ACL) was as follows:

	Three Months Ended			Six Months Ended June 30,	
	June 30, 2024	March 31, 2024	June 30, 2023	2024	2023
Allowance for loan and lease losses, beginning of period	\$ 259,150	\$ 310,387	\$ 348,857	\$ 310,387	\$ 327,852
Credit loss expense for loans and leases held for investment	36,577	29,246	66,190	65,823	137,040
Charge-offs	(78,088)	(90,342)	(64,269)	(168,430)	(116,832)
Recoveries	11,270	9,859	4,385	21,129	7,103
Allowance for loan and lease losses, end of period	\$ 228,909	\$ 259,150	\$ 355,163	\$ 228,909	\$ 355,163
Allowance for securities available for sale, beginning of period	\$ 2,892	\$ —	\$ —	\$ —	\$ —
Credit loss expense (benefit) for securities available for sale	(809)	2,892	—	2,083	—
Allowance for securities available for sale, end of period	\$ 2,083	\$ 2,892	\$ —	\$ 2,083	\$ —
Reserve for unfunded lending commitments, beginning of period	\$ 1,662	\$ 1,873	\$ 1,612	\$ 1,873	\$ 1,878
Credit loss expense (benefit) for unfunded lending commitments	(207)	(211)	405	(418)	139
Reserve for unfunded lending commitments, end of period ⁽¹⁾	\$ 1,455	\$ 1,662	\$ 2,017	\$ 1,455	\$ 2,017

⁽¹⁾ Relates to \$91.5 million, \$72.1 million and \$108.9 million of unfunded commitments as of June 30, 2024, March 31, 2024 and June 30, 2023, respectively. As of June 30, 2024, \$8.3 million of the \$91.5 million of unfunded commitments is unconditionally cancellable and therefore has no associated reserve.

The following table presents the components of the allowance for loan and lease losses:

	June 30, 2024	March 31, 2024	June 30, 2023
Loss allowance for loan and lease losses ⁽¹⁾	\$ 285,368	\$ 311,798	\$ 383,960
Recovery asset value ⁽²⁾	(56,459)	(52,644)	(28,797)
Allowance for loan and lease losses	\$ 228,909	\$ 259,150	\$ 355,163

⁽¹⁾ Represents the allowance for future estimated net charge-offs on existing portfolio balances.

⁽²⁾ Represents a negative allowance for expected recoveries of amounts previously charged-off.

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	June 30, 2024	March 31, 2024	June 30, 2023
Total loans and leases held for investment	\$ 4,228,39\$	\$ 4,505,81\$	\$ 5,533,349
Allowance for loan and lease losses	\$ 228,90\$	\$ 259,15\$	\$ 355,163
Allowance ratio ⁽¹⁾	5.4%	5.8%	6.4%
Gross allowance for loan and lease losses	\$ 285,36\$	\$ 311,79\$	\$ 383,960
Gross allowance ratio ⁽¹⁾	6.7%	6.9%	6.9%

⁽¹⁾ Calculated as ALLL or gross ALLL, where applicable, to total loans and leases held for investment at amortized cost.

Net Charge-Offs

The following table presents information regarding average loan and lease balances, net charge-offs and the annualized ratio of net charge-offs to average outstanding loans and leases HFI at amortized cost, net, during the period:

	Three Months Ended			Six Months Ended June 30,	
	June 30, 2024	March 31, 2024	June 30, 2023	2024	2023
Average loans and leases held for investment at amortized cost	\$ 4,341,007	\$ 4,634,032	\$ 5,517,257	\$ 4,487,519	\$ 5,380,496
Net charge-offs	\$ 66,818	\$ 80,483	\$ 59,884	\$ 147,301	\$ 109,729
Net charge-off ratio	6.2 %	6.9 %	4.4 %	6.6 %	4.1 %

Nonaccrual

Loans and leases are generally placed on nonaccrual status when contractually past due 90 days or more, or earlier if management believes that the probability of collection does not warrant further accrual. Unsecured personal loans are charged-off no later than 120 days past due.

The following table presents information regarding total nonaccrual loans and leases:

	June 30, 2024	March 31, 2024	June 30, 2023
Nonaccrual loans and leases held for investment at amortized cost	\$ 65,146	\$ 45,307	\$ 51,383
% of total loans and leases held for investment	1.5 %	1.0 %	0.9 %

For additional information on the ACL and nonaccrual loans and leases, see "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Note 1. Summary of Significant Accounting Policies" in our Annual Report and "Note 5. Loans and Leases Held for Investment at Amortized Cost, Net of Allowance for Loan and Lease Losses" in this Report.

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Non-Interest Expense

Non-interest expense primarily consists of (i) compensation and benefits, which include salaries and wages, benefits and stock-based compensation expense, (ii) marketing, which includes costs attributable to borrower and deposit customer acquisition efforts and building general brand awareness, (iii) equipment and software, (iv) depreciation and amortization, (v) professional services, which primarily consist of consulting fees, and (vi) occupancy, which includes rent expense and all other costs related to occupying our office spaces.

	Three Months Ended			Change (%)	
	June 30, 2024	March 31, 2024	June 30, 2023	Q2 2024 vs Q1 2024	Q2 2024 vs Q2 2023
Non-interest expense:					
Compensation and benefits	\$ 56,540	\$ 59,554	\$ 71,553	(5)%	(21)%
Marketing	26,665	24,136	23,940	10 %	11 %
Equipment and software	12,360	12,684	13,968	(3)%	(12)%
Depreciation and amortization	13,072	12,673	11,638	3 %	12 %
Professional services	7,804	7,091	9,974	10 %	(22)%
Occupancy	3,941	3,861	4,684	2 %	(16)%
Other non-interest expense	11,876	12,234	15,322	(3)%	(22)%
Total non-interest expense	\$ 132,258	\$ 132,233	\$ 151,079	— %	(12)%

	Six Months Ended June 30,		Change (%)
	2024	2023	
Non-interest expense:			
Compensation and benefits	\$ 116,094	\$ 144,860	(20) %
Marketing	50,801	50,820	— %
Equipment and software	25,044	27,664	(9) %
Depreciation and amortization	25,745	23,992	7 %
Professional services	14,895	19,032	(22) %
Occupancy	7,802	8,994	(13) %
Other non-interest expense	24,110	33,025	(27) %
Total non-interest expense	\$ 264,491	\$ 308,387	(14) %

Compensation and Benefits

Sequential: Compensation and benefits expense decreased \$3.0 million, or 5%, for the second quarter of 2024 compared to the first quarter of 2024. The decrease was primarily due to a change in the composition of the executive team.

Year Over Year: Compensation and benefits expense decreased \$15.0 million, or 21%, for the second quarter of 2024 compared to the same period in 2023. The decrease was primarily due to a decrease in headcount as a result of the workforce reduction plans we implemented in 2023.

Six Months Over Six Months: Compensation and benefits expense decreased \$28.8 million, or 20%, for the first half of 2024 compared to the same period in 2023. The decrease was primarily due to a decrease in headcount as a result of the workforce reduction plans we implemented in 2023.

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Marketing

Sequential: Marketing expense increased \$2.5 million, or 10%, for the second quarter of 2024 compared to the first quarter of 2024.

Year Over Year: Marketing expense increased \$2.7 million, or 11%, for the second quarter of 2024 compared to the same period in 2023.

Six Months Over Six Months: Marketing expense remained relatively flat for the first half of 2024 compared to the same period in 2023.

The increases in marketing expense were primarily due to an increase in variable marketing expenses based on higher origination volume of marketplace loans.

Equipment and Software

Sequential: Equipment and software expense decreased \$0.3 million, or 3%, for the second quarter of 2024 compared to the first quarter of 2024.

Year Over Year: Equipment and software expense decreased \$1.6 million, or 12%, for the second quarter of 2024 compared to the same period in 2023.

Six Months Over Six Months: Equipment and software expense decreased \$2.6 million, or 9%, for the first half of 2024 compared to the same period in 2023.

The decreases in equipment and software expense were primarily due to a decrease in subscription costs.

Depreciation and Amortization

Sequential: Depreciation and amortization expense increased \$0.4 million, or 3%, for the second quarter of 2024 compared to the first quarter of 2024.

Year Over Year: Depreciation and amortization expense increased \$1.4 million, or 12%, for the second quarter of 2024 compared to the same period in 2023.

Six Months Over Six Months: Depreciation and amortization expense increased \$1.8 million, or 7%, for the first half of 2024 compared to the same period in 2023.

The increases in depreciation and amortization expense were primarily due to an increase in the amortization of internally-developed software.

Professional Services

Sequential: Professional services increased \$0.7 million, or 10%, for the second quarter of 2024 compared to the first quarter of 2024.

Year Over Year: Professional services decreased \$2.2 million, or 22%, for the second quarter of 2024 compared to the same period in 2023.

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Six Months Over Six Months: Professional services decreased \$4.1 million, or 22%, for the first half of 2024 compared to the same period in 2023.

The changes in professional services expense were primarily due to an increase or decrease in consulting fees.

Occupancy

Sequential: Occupancy expense remained relatively flat for the second quarter of 2024 compared to the first quarter of 2024.

Year Over Year: Occupancy expense decreased \$0.7 million, or 16%, for the second quarter of 2024 compared to the same period in 2023.

Six Months Over Six Months: Occupancy expense decreased \$1.2 million, or 13%, for the first half of 2024 compared to the same period in 2023.

The decreases in occupancy expense were primarily due to a decrease in rent expense.

Other non-interest expense

Sequential: Other non-interest expense decreased \$0.4 million, or 3%, for the second quarter of 2024 compared to the first quarter of 2024.

Year Over Year: Other non-interest expense decreased \$3.4 million, or 22%, for the second quarter of 2024 compared to the same period in 2023.

Six Months Over Six Months: Other non-interest expense decreased \$8.9 million, or 27%, for the first half of 2024 compared to the same period in 2023.

The decreases in other non-interest expense were primarily due to decreases in miscellaneous operating expenses.

Income Taxes

For the second quarter and first half of 2024, we recorded an income tax expense of \$4.5 million and \$8.8 million, respectively, representing an effective tax rate of 23.3% and 24.5%, respectively. For the second quarter and first half of 2023, we recorded an income tax expense of \$4.7 million and \$8.8 million, respectively, representing an effective tax rate of 31.7% and 27.1%, respectively. The effective tax rate differs from the statutory rate due to the favorable impact of recurring items such as tax credits, the unfavorable impact of the non-deductible portions of executive compensation, and the unfavorable impact of stock-based compensation. The decrease in effective tax rates for 2024 compared to the same periods in 2023 is primarily due to a decrease in the unfavorable impact of stock-based compensation.

As of June 30, 2024, we maintained a valuation allowance of \$46.1 million related to certain state net operating loss carryforwards (NOLs) and state tax credit carryforwards. The realization and timing of any remaining state NOLs and state tax credit carryforwards is uncertain and may expire before being utilized, based primarily on the allocation of taxable income constraints to the Parent and not related to the earnings of the Company. Changes to deferred tax asset valuation allowances and liabilities related to uncertain tax positions are recorded as current period income tax expense or benefit.

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Income taxes are recorded on a separate entity basis whereby each operating segment determines income tax expense or benefit as if it filed a separate tax return. Differences between separate entity and consolidated tax returns are eliminated upon consolidation.

Segment Information

The Company defines operating segments to be components of the Company for which discrete financial information is evaluated regularly by the Company's Chief Executive Officer and Chief Financial Officer to allocate resources and evaluate financial performance. This information is reviewed according to the legal organizational structure of the Company's operations with products and services presented separately for the parent bank holding company and its wholly-owned subsidiary, LC Bank.

LendingClub Bank

The LC Bank operating segment represents the national bank legal entity and reflects post-Acquisition operating activities. This segment provides a full complement of financial products and solutions, including loans, leases and deposits. It originates loans to individuals and businesses, retains loans for investment, sells loans to investors and manages relationships with deposit holders.

LendingClub Corporation (Parent Only)

The LendingClub Corporation (Parent only) operating segment represents the holding company legal entity and predominately reflects the operations of the Company prior to the Acquisition. This activity includes, but is not limited to, servicing fee revenue for loan servicing retained prior to the Acquisition, and interest income and interest expense related to the Retail Program and Structured Program transactions entered into prior to the Acquisition.

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Financial information for the segments is presented in the following table:

	LendingClub Bank		LendingClub Corporation (Parent only)		Intercompany Eliminations		Consolidated Total	
	Three Months Ended June 30,		Three Months Ended June 30,		Three Months Ended June 30,		Three Months Ended June 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
Non-interest income:								
Marketplace revenue	\$ 39,533	\$ 62,006	\$ 10,946	\$ 7,772	\$ 5,874	\$ 13,005	\$ 56,353	\$ 82,783
Other non-interest income	12,387	21,743	1,903	2,431	(11,930)	(21,139)	2,360	3,035
Total non-interest income	51,920	83,749	12,849	10,203	(6,056)	(8,134)	58,713	85,818
Interest income:								
Interest income	217,814	210,514	1,820	3,972	—	—	219,634	214,486
Interest expense	(90,888)	(66,546)	(218)	(1,288)	—	—	(91,106)	(67,834)
Net interest income	126,926	143,968	1,602	2,684	—	—	128,528	146,652
Total net revenue	178,846	227,717	14,451	12,887	(6,056)	(8,134)	187,241	232,470
Provision for credit losses	(35,561)	(66,611)	—	16	—	—	(35,561)	(66,595)
Non-interest expense	(126,857)	(142,563)	(11,457)	(16,650)	6,056	8,134	(132,258)	(151,079)
Income (Loss) before income tax benefit (expense)	16,428	18,543	2,994	(3,747)	—	—	19,422	14,796
Income tax benefit (expense)	(3,872)	(5,429)	(647)	743	—	—	(4,519)	(4,686)
Net income (loss)	\$ 12,556	\$ 13,114	\$ 2,347	\$ (3,004)	\$ —	\$ —	\$ 14,903	\$ 10,110
Capital expenditures	\$ 12,865	\$ 15,857	— \$	— \$	— \$	— \$	— \$	— \$ 12,865
Depreciation and amortization	\$ 10,896	\$ 7,073	\$ 2,176	\$ 4,565	\$ —	\$ —	\$ 13,072	\$ 11,638

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	LendingClub Bank		LendingClub Corporation (Parent only)		Intercompany Eliminations		Consolidated Total	
	Six Months Ended June 30,		Six Months Ended June 30,		Six Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
Non-interest income:								
Marketplace revenue	\$ 78,048	134,694	20,774	20,880	13,422	22,848	112,244	178,417
Other non-interest income	26,082	40,904	3,849	4,984	(25,662)	(39,497)	4,269	6,391
Total non-interest income	104,130	175,598	24,623	25,864	(12,240)	(16,654)	116,513	184,808
Interest income:								
Interest income	422,621	408,844	4,364	8,055	—	—	426,985	416,899
Interest expense	(175,011)	(120,442)	(558)	(3,101)	—	—	(175,569)	(123,543)
Net interest income	247,610	288,402	3,806	4,954	—	—	251,416	293,356
Total net revenue	351,740	464,000	28,429	30,818	(12,240)	(16,654)	367,929	478,164
Provision for credit losses	(67,488)	(137,195)	—	16	—	—	(67,488)	(137,179)
Non-interest expense	(253,353)	(290,946)	(23,378)	(34,095)	12,240	16,654	(264,491)	(308,387)
Income (Loss) before income tax benefit (expense)	30,899	35,859	5,051	(3,261)	—	—	35,950	32,598
Income tax benefit (expense)	(7,557)	(9,685)	(1,240)	863	—	—	(8,797)	(8,822)
Net income (loss)	\$ 23,342	26,174	3,811	(2,398)	\$—	\$—	27,153	23,776
Capital expenditures	\$ 24,646	32,255	\$—	\$—	\$—	\$—	24,646	32,255
Depreciation and amortization	\$ 21,062	13,967	4,688	10,025	\$—	\$—	25,745	23,992

The material drivers and trends of the financial results of the segments presented above are consistent with those provided on a consolidated basis in *"Results of Operations."*

Non-GAAP Financial Measures

To supplement our financial statements, which are prepared and presented in accordance with GAAP, we use the following non-GAAP financial measures: Pre-Provision Net Revenue (PPNR) and Tangible Book Value (TBV) Per Common Share. Our non-GAAP financial measures do have limitations as analytical tools and you should not consider them in isolation or as a substitute for an analysis of our results under GAAP.

We believe these non-GAAP financial measures provide management and investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and enable comparison of our financial results with other public companies.

We believe PPNR is an important measure because it reflects the underlying financial performance of our business operations. PPNR is a non-GAAP financial measure calculated by subtracting the provision for credit losses and income tax benefit/expense from net income.

We believe TBV Per Common Share is an important measure used to evaluate the Company's use of equity. TBV Per Common Share is a non-GAAP financial measure representing the book value of common equity reduced by goodwill and intangible assets, divided by ending number of common shares issued and outstanding.

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The following tables provide a reconciliation of PPNR to the nearest GAAP measure:

	Three Months Ended			Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
GAAP Net income	\$ 14,903	\$ 12,250	\$ 10,110	\$ 27,153	\$ 23,776
Less: Provision for credit losses	(35,561)	(31,927)	(66,595)	(67,488)	(137,179)
Less: Income tax expense	(4,519)	(4,278)	(4,686)	(8,797)	(8,822)
Pre-provision net revenue	\$ 54,983	\$ 48,455	\$ 81,391	\$ 103,438	\$ 169,777

	Three Months Ended			Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Non-interest income	\$ 58,713	\$ 57,800	\$ 85,818	\$ 116,513	\$ 184,808
Net interest income	128,528	122,888	146,652	251,416	293,356
Total net revenue	187,241	180,688	232,470	367,929	478,164
Non-interest expense	(132,258)	(132,233)	(151,079)	(264,491)	(308,387)
Pre-provision net revenue	54,983	48,455	81,391	103,438	169,777
Provision for credit losses	(35,561)	(31,927)	(66,595)	(67,488)	(137,179)
Income before income tax expense	19,422	16,528	14,796	35,950	32,598
Income tax expense	(4,519)	(4,278)	(4,686)	(8,797)	(8,822)
GAAP Net income	\$ 14,903	\$ 12,250	\$ 10,110	\$ 27,153	\$ 23,776

The following table provides a reconciliation of TBV Per Common Share to the nearest GAAP measure:

As of	June 30, 2024	March 31, 2024	June 30, 2023
GAAP common equity	\$ 1,287,945	\$ 1,266,286	\$ 1,205,523
Less: Goodwill	(75,717)	(75,717)	(75,717)
Less: Intangible assets	(10,293)	(11,165)	(14,167)
Tangible common equity	\$ 1,201,935	\$ 1,179,404	\$ 1,115,639
Book value per common share			
GAAP common equity	\$ 1,287,945	\$ 1,266,286	\$ 1,205,523
Common shares issued and outstanding	111,812,215	111,120,415	108,694,120
Book value per common share	\$ 11.52	\$ 11.40	\$ 11.09
Tangible book value per common share			
Tangible common equity	\$ 1,201,935	\$ 1,179,404	\$ 1,115,639
Common shares issued and outstanding	111,812,215	111,120,415	108,694,120
Tangible book value per common share	\$ 10.75	\$ 10.61	\$ 10.26

Supervision and Regulatory Environment

We are subject to periodic exams, investigations, inquiries or requests, enforcement actions and other proceedings from federal and state regulatory and/or law enforcement agencies, including the federal banking regulators that directly regulate the Company and/or LC Bank. Further, we are subject to claims, individual and class action lawsuits, and lawsuits alleging regulatory violations. Although historically the Company has generally resolved

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these matters in a manner that was not materially adverse to its financial results or business operations, no assurance can be given as to the timing, outcome or consequences of any of these matters in the future.

We are subject to supervision, regulation, examination and enforcement by multiple federal banking regulatory bodies. Specifically, as a bank holding company, the Company is subject to ongoing and comprehensive supervision, regulation, examination and enforcement by the Board of Governors of the Federal Reserve System (FRB). Further, as a national bank, LC Bank is subject to ongoing and comprehensive supervision, regulation, examination and enforcement by the Office of the Comptroller of the Currency (OCC). Accordingly, we have been and continue to invest in regulatory compliance and be subject to certain parameters, obligations and/or limitations set forth by the banking regulations and regulators with respect to the operation of our business.

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, or be required to obtain a new license or authorization, (ii) become subject to a consent order or administrative enforcement action, (iii) face lawsuits (including class action lawsuits), sanctions, penalties, or other monetary losses due to judgments, orders, or settlements, (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 and/or (vi) be unable to execute on certain Company initiatives, which may have an adverse effect on our ability to operate and/or evolve our lending marketplace and other products and/or services; any of which may harm our business or financial results.

See "*Part I – Item 1. Business – Regulation and Supervision*," "*Part I – Item 1A. Risk Factors – Risks Related to Regulation, Supervision and Compliance*," and "*Part I – Item 1A. Risk Factors – Risks Related to Operating Our Business*" in our Annual Report for further discussion regarding our supervision and regulatory environment.

Capital Management

The prudent management of capital is fundamental to the successful achievement of our business initiatives. We actively review capital through a process that continuously assesses and monitors the Company's overall capital adequacy. Our objective is to maintain capital at an amount commensurate with our risk profile and risk tolerance objectives, and to meet both regulatory and market expectations.

The formation of LC Bank as a nationally chartered association and the organization of the Company as a bank holding company subjects us to various capital adequacy guidelines issued by the OCC and the FRB, including the requirement to maintain regulatory capital ratios in accordance with the Basel Committee on Banking Supervision standardized approach for U.S. banking organizations (Basel III). As a Basel III standardized approach institution, we selected the one-time election to opt-out of the requirements to include all the components of accumulated other comprehensive income included in common stockholder's equity. The minimum capital requirements under the Basel III capital framework are: a Common Equity Tier 1 (CET1) risk-based capital ratio of 4.5%, a Tier 1 risk-based capital ratio of 6.0%, a total risk-based capital ratio of 8.0%, and a Tier 1 leverage ratio of 4.0%. Additionally, a Capital Conservation Buffer (CCB) of 2.5% must be maintained above the minimum risk-based capital requirements in order to avoid certain limitations on capital distributions, stock repurchases, and certain discretionary bonus payments. In addition to these guidelines, the banking regulators may require a banking organization to maintain capital at levels higher than the minimum ratios prescribed under the Basel III capital framework. See "*Part I – Item 1. Business – Regulation and Supervision – Capital and Liquidity Requirements and Prompt Corrective Action*" in our Annual Report and "*Notes to Condensed Consolidated Financial Statements – Note 19. Regulatory Requirements*" in this Report for additional information.

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The following table summarizes the Company's and LC Bank's regulatory capital amounts (in millions) and ratios:

	June 30, 2024		December 31, 2023		Required Minimum plus Required CCB for Non-Leverage Ratios
	Amount	Ratio	Amount	Ratio	
LendingClub Corporation:					
CET1 capital ⁽¹⁾	\$ 1,123.0	17.9 %	\$ 1,090.2	17.9 %	7.0 %
Tier 1 capital	\$ 1,123.0	17.9 %	\$ 1,090.2	17.9 %	8.5 %
Total capital	\$ 1,203.2	19.2 %	\$ 1,169.2	19.2 %	10.5 %
Tier 1 leverage	\$ 1,123.0	12.1 %	\$ 1,090.2	12.9 %	4.0 %
Risk-weighted assets	\$ 6,274.8	N/A	\$ 6,104.5	N/A	N/A
Quarterly adjusted average assets	\$ 9,252.6	N/A	\$ 8,476.1	N/A	N/A
LendingClub Bank:					
CET1 capital ⁽¹⁾	\$ 964.2	15.5 %	\$ 949.4	15.8 %	7.0 %
Tier 1 capital	\$ 964.2	15.5 %	\$ 949.4	15.8 %	8.5 %
Total capital	\$ 1,043.6	16.8 %	\$ 1,027.4	17.1 %	10.5 %
Tier 1 leverage	\$ 964.2	10.5 %	\$ 949.4	11.4 %	4.0 %
Risk-weighted assets	\$ 6,206.4	N/A	\$ 6,022.2	N/A	N/A
Quarterly adjusted average assets	\$ 9,142.1	N/A	\$ 8,337.4	N/A	N/A

N/A – Not applicable

⁽¹⁾ Consists of common stockholders' equity as defined under U.S. GAAP and certain adjustments made in accordance with regulatory capital guidelines, including the addition of the CECL transitional benefit and deductions for goodwill and other intangible assets.

The higher risk-based capital ratios for the Company reflect generally lower risk-weights for assets held by LendingClub Corporation as compared with LC Bank.

In response to the COVID-19 pandemic, the FRB, OCC, and FDIC adopted a final rule related to the regulatory capital treatment of the allowance for credit losses under CECL. As permitted by the rule, the Company elected to delay the estimated impact of CECL on regulatory capital resulting in a capital benefit of \$35 million at December 31, 2021. This benefit is phased out over a three-year transition period that commenced on January 1, 2022 at a rate of 25% each year through January 1, 2025.

Liquidity

We manage liquidity to meet our cash flow and collateral obligations in a timely manner at a reasonable cost. We must maintain operating liquidity to meet our expected daily and forecasted cash flow requirements, as well as contingent liquidity to meet unexpected funding requirements.

As our primary business at LC Bank involves taking deposits and originating loans, a key role of liquidity management is to ensure that customers have timely access to funds from deposits and for loans. Liquidity management also involves maintaining sufficient liquidity to repay borrowings, pay operating expenses and support extraordinary funding requirements when necessary.

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LendingClub Bank Liquidity

The following table summarizes LC Bank's primary sources of short-term liquidity as of the periods presented:

	June 30, 2024	December 31, 2023
Cash and cash equivalents	\$ 917,693	\$ 1,230,206
Securities available for sale ⁽¹⁾	\$ 366,724	\$ 370,466
Deposits	\$ 8,215,812	\$ 7,426,445
Available borrowing capacity:		
FHLB of Des Moines borrowing capacity ⁽²⁾	\$ 649,783	\$ 661,337
FRB Discount Window borrowing capacity	\$ 2,345,668	\$ 2,816,501
Total available borrowing capacity	\$ 2,995,451	\$ 3,477,838

(1) Excludes illiquid securities available for sale.

(2) Includes both loans and securities available for sale pledged as collateral.

The primary uses of LC Bank liquidity include the funding/acquisition of loans and securities purchases; withdrawals, maturities and the payment of interest on deposits; compensation and benefits expense; taxes; capital expenditures, including internally developed software, leasehold improvements and computer equipment; and costs associated with the continued development and support of our online lending marketplace platform.

Net capital expenditures were \$24.6 million, or 7.0% of total net revenue, and \$32.3 million, or 7.0% of total net revenue, for the first halves of 2024 and 2023, respectively. Capital expenditures in 2024 are expected to be approximately \$50 million, primarily related to costs associated with the continued development and support of our online lending marketplace platform.

LendingClub Holding Company Liquidity

The primary source of liquidity at the holding company is \$136.3 million and \$110.3 million in cash and cash equivalents as of June 30, 2024 and December 31, 2023, respectively. Additionally, the holding company has the ability to access the capital markets through additional registrations and public equity offerings.

Uses of cash at the holding company include the routine cash flow requirements as a bank holding company, such as interest and expenses (including those associated with our office leases), the needs of LC Bank for additional equity and, as required, its need for debt financing and support for extraordinary funding requirements when necessary.

Factors Impacting Liquidity

The Company's liquidity could be adversely impacted by deteriorating financial and market conditions, the inability or unwillingness of a creditor to provide funding, an idiosyncratic event (e.g., a major loss, causing a perceived or actual deterioration in its financial condition), an adverse systemic event (e.g., default or bankruptcy of a significant capital markets participant), or others.

We believe, based on our projections, that our cash on hand, liquid AFS securities, available borrowing capacity, and net cash flows from operating, investing and financing activities are sufficient to meet our liquidity needs for the next twelve months, as well as beyond the next twelve months. See "Item 1. Financial Statements – Condensed Consolidated Statements of Cash Flows" for additional detail regarding our cash flows.

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Market Risk

Market risk represents the risk of potential losses arising from changes in interest rates, foreign exchange rates, equity prices, commodity prices, and/or other relevant market rates or prices. The primary market risk to which we are exposed is interest rate risk. Interest rate risk arises from financial instruments including loans, securities and borrowings, all entered into for purposes other than trading.

Interest Rate Sensitivity

LendingClub Bank

Our net interest income is affected by changes in the level of interest rates, the impact of interest rate fluctuations on asset prepayments, and the level and composition of deposits and liabilities, among other factors.

Loans HFI at LC Bank are funded primarily through our deposit base. The majority of loans HFI are fixed-rate instruments over the term of the loans. As a result, the primary component of interest rate risk on our financial instruments at LC Bank arises from the impact of fluctuations in loan and deposit rates on our net interest income. Therefore, we use a sensitivity analysis to assess the impact of hypothetical changes in interest rates on our net interest income results. The outcome of the analysis is influenced by a variety of assumptions, including the maturity profile and prepayment level of our unsecured consumer loans and expected consumer responses to changes in rates paid on non-maturity deposit products. Our assumptions are periodically calibrated to observed data and/or expected outcomes. We actively monitor the level of exposure to movements in interest rates and have entered into interest rate hedging instruments, some of which qualify for hedge accounting treatment, to manage such risk. See "Note 8. Derivative Instruments and Hedging Activities" for additional information.

The following table presents the change in projected net interest income for the next twelve months due to a hypothetical instantaneous parallel change in interest rates relative to current rates:

	June 30, 2024	December 31, 2023
Instantaneous Change in Interest Rates:		
+ 200 basis points	(7.3)%	(4.8) %
+ 100 basis points	(3.5)%	(2.2) %
- 100 basis points	1.4 %	— %
- 200 basis points	2.4 %	(0.4) %

As illustrated in the table above, net interest income is projected to decrease over the next twelve months during hypothetical rising interest rate environments primarily as a result of higher rates paid on interest-bearing deposits, partially offset by higher rates earned on new loans, investment purchases, and cash and cash equivalents as well as by the impact of our hedging activity. Conversely, net interest income is projected to increase over the next twelve months during hypothetical declining interest rate environments. The increase in sensitivity as of June 30, 2024 relative to December 31, 2023 is primarily due to the composition of our loans, deposits and hedging instruments and assumes no replacement of maturing interest rate hedges. Furthermore, during fluctuating interest rate environments, the increased sensitivity of repricing interest-bearing deposits is more impactful than that of repricing fixed-rate loans.

Although we believe that these measurements provide an estimate of our interest rate sensitivity, they do not account for potential changes in credit quality, balance sheet mix, size of our balance sheet, or other business developments that could affect net income. Actual results could differ materially from the estimated outcomes of our simulations.

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For additional details regarding maturities of loans and leases HFI, see '*Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Market Risk*' in our Annual Report.

For the contractual maturities and weighted-average yields on the Company's AFS securities portfolio, see '*Notes to Condensed Consolidated Financial Statements – Note 4. Securities Available for Sale*'.

LendingClub Holding Company

At the holding company level, we continue to measure interest rate sensitivity by evaluating the change in fair value of certain assets and liabilities due to a hypothetical change in interest rates. Principal payments on our loans HFI continue to reduce the outstanding balance of this portfolio, and, as a result, the fair value impact from changes in interest rates continues to diminish.

Contingencies

For a comprehensive discussion of contingencies as of June 30, 2024, see "*Item 1. Financial Statements – Notes to Condensed Consolidated Financial Statements – Note 18. Commitments and Contingencies*."

Critical Accounting Estimates

Certain of the Company's accounting policies that involve a higher degree of judgment and complexity are discussed in "*Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Estimates*" in our Annual Report. There have been no significant changes to these critical accounting estimates during the first half of 2024.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

For a comprehensive discussion regarding quantitative and qualitative disclosures about market risk, see *'Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations – Market Risk.'*

Item 4. 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 Exchange Act) as of June 30, 2024. 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 June 30, 2024, were designed and functioned effectively to provide reasonable assurance that the information required to be disclosed by the Company in reports filed under the Exchange Act 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.

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 Exchange Act) occurred during the second quarter of 2024, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For a comprehensive discussion of legal proceedings, see *"Part I. Financial Information – Item 1. Financial Statements – Notes to Condensed Consolidated Financial Statements – Note 18. Commitments and Contingencies – Legal,"* which is incorporated herein by reference.

Item 1A. Risk Factors

The risks described in *"Part I – Item 1A. Risk Factors"* in our Annual Report, could materially and adversely affect our business, financial condition, operating results and prospects, and the trading price of our common stock could decline. While we believe the risks and uncertainties described therein include all material risks currently known by us, it is possible that these may not be the only ones we face. Due to risks and uncertainties, known and unknown, our past financial results may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. The Risk Factors section of our Annual Report remains current in all material respects.

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Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Plans

To diversify his assets, Scott Sanborn, the Company's Chief Executive Officer, entered into a sales plan in May 2024 that is intended to comply with Rule 10b5-1(c) under the Exchange Act (the Plan). The maximum number of shares that can be sold under the Plan represents 4.2% of Mr. Sanborn's current equity interest in the Company including his unvested time-based RSUs and unearned PBRSUs at target performance. Any sale(s) executed under the Plan would represent the first sale(s) of Company stock by Mr. Sanborn during his eight years as the Company's Chief Executive Officer, other than sales in connection with equity related tax obligations.

The following table shows the trading arrangements, including the Plan, intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) adopted by the Company's directors and executive officers during the second quarter of 2024:

Name and Title	Adoption Date	Expiration Date	Aggregate Number of Shares to be Sold
Scott Sanborn, Chief Executive Officer and Director	May 8, 2024	February 7, 2025	Up to 119,000

Other than disclosed above, during the second quarter of 2024, none of the Company's directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of the Company's securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Eighth Amended and Restated Certificate of Incorporation

On June 11, 2024, the Company convened its annual meeting of stockholders (the Annual Meeting). At the Annual Meeting, the Company's stockholders approved an amendment and restatement of the Company's Restated Certificate of Incorporation, as amended, to limit the personal liability of certain officers of the Company to the extent permitted by Delaware law (the Officer Exculpation Amendment). The Officer Exculpation Amendment had previously been approved, subject to stockholder approval, by the Company's Board of Directors.

On July 30, 2024, the Company filed an Eighth Amended and Restated Certificate of Incorporation (the Eighth Amended and Restated Certificate) with the Secretary of State of Delaware to, effective immediately, effectuate the Officer Exculpation Amendment and incorporate previous amendments to the Company's Restated Certificate of Incorporation.

The foregoing description is qualified in its entirety by reference to the Eighth Amended and Restated Certificate, which is filed as Exhibit 3.1 to this Report and is incorporated herein by reference.

LENDINGCLUB CORPORATION

Item 6. Exhibits

Exhibit Index

The exhibits noted in the accompanying Exhibit Index are filed or incorporated by reference as a part of this Report and such Exhibit Index is incorporated herein by reference.

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Eighth Amended and Restated Certificate of Incorporation of LendingClub Corporation, effective July 30, 2024					X
3.2	Amended and Restated Bylaws of the Company, effective March 22, 2018	8-K/A	001-36771	3.1	June 22, 2018	
10.1	2014 Employee Stock Purchase Plan, as amended and restated on June 11, 2024					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
32.1	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document‡					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase					X
101.LAB	XBRL Taxonomy Extension Label Linkbase					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					

‡ The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

LENDINGCLUB CORPORATION

SIGNATURES

Pursuant to the requirements 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.

LENDINGCLUB CORPORATION
(Registrant)

Date: August 1, 2024

/s/ SCOTT SANBORN

Scott Sanborn

Chief Executive Officer

Date: August 1, 2024

/s/ ANDREW LABENNE

Andrew LaBenne

Chief Financial Officer

LENDINGCLUB CORPORATION

EIGHTH AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

LendingClub Corporation, a Delaware corporation (the "Corporation"), hereby certifies as follows.

1. The name of the Corporation is LendingClub Corporation. The date of filing its original Certificate of Incorporation with the Secretary of State was October 2, 2006 under the name SocBank Corporation.

2. The Eighth Amended and Restated Certificate of Incorporation of the Corporation attached hereto as Exhibit A, which is incorporated herein by this reference, and which restates, integrates and further amends the provisions of the Restated Certificate of Incorporation of this Corporation as previously amended or supplemented, has been duly adopted by the Corporation's Board of Directors and by the Corporation's stockholders in accordance with Sections 242 and 245 of the Delaware General Corporation Law.

IN WITNESS WHEREOF, this Corporation has caused this Eighth Amended and Restated Certificate of Incorporation to be signed by its duly authorized officer and the foregoing facts stated herein are true and correct.

Dated: July 30, 2024

LENDINGCLUB CORPORATION

By:	<u>/s/ Jordan Cheng</u>
Name:	Jordan Cheng
Title:	General Counsel and Secretary

EXHIBIT A**LENDINGCLUB CORPORATION****EIGHTH AMENDED AND RESTATED CERTIFICATE OF INCORPORATION****ARTICLE I: NAME**

The name of the corporation is LendingClub Corporation (the "**Corporation**").

ARTICLE II: AGENT FOR SERVICE OF PROCESS

The address of the Corporation's registered office in the State of Delaware is 251 Little Falls Drive, City of Wilmington, County of New Castle, Delaware 19808. The name of the registered agent of the Corporation at that address is Corporation Service Company.

ARTICLE III: PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE IV: AUTHORIZED STOCK

1. Total Authorized . The total number of shares of all classes of stock that the Corporation has authority to issue is One Hundred Ninety Million (190,000,000) shares, consisting of two classes: One Hundred Eighty Million (180,000,000) shares of Common Stock, \$0.01 par value per share (" **Common Stock** "), and Ten Million (10,000,000) shares of Preferred Stock, \$0.01 par value per share (" **Preferred Stock** ").

2. Designation of Additional Series.

2.1. The Board of Directors of the Corporation (the "**Board**") is authorized, subject to any limitations prescribed by the law of the State of Delaware, to provide for the issuance of the shares of Preferred Stock in one or more series, and, by filing a Certificate of Designation pursuant to the applicable law of the State of Delaware, to establish from time to time the number of shares to be included in each such series, to fix the designation, vesting, powers, preferences and relative, participating, optional or other rights, if any, of the shares of each such series and any qualifications, limitations or restrictions thereof, and to increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares of such series then outstanding) the number of shares of any such series. The number of authorized shares of Preferred Stock may also be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of two-thirds of the voting power of all the then-outstanding shares of capital stock of the Corporation entitled to vote thereon, without a vote of the holders of the Preferred Stock, unless a vote of any such holders is required pursuant to the terms of any certificate or certificates establishing a series of Preferred Stock.

2.2 Except as otherwise expressly provided in any Certificate of Designation designating any series of Preferred Stock pursuant to the foregoing provisions of this Article IV, any new series of Preferred Stock may be designated, fixed and determined as provided herein by the Board without approval of the holders of Common Stock or the holders of Preferred Stock, or any series thereof, and any such new series may have powers, preferences and rights, including, without limitation, voting rights, dividend rights, liquidation rights, redemption rights and conversion rights, senior to, junior to or pari passu with the rights of the Common Stock, the Preferred Stock or any future class or series of Preferred Stock or Common Stock.

2.3 Each outstanding share of Common Stock shall entitle the holder thereof to one vote on each matter properly submitted to the stockholders of the Corporation for their vote; *provided*, *however*, that, except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon pursuant to this Certificate of Incorporation (including any Certificate of Designation relating to any series of Preferred Stock).

ARTICLE V: AMENDMENT OF BYLAWS

The Board shall have the power to adopt, amend or repeal the Bylaws of the Corporation. Any adoption, amendment or repeal of the Bylaws of the Corporation by the Board shall require the approval of a majority of the Whole Board. For purposes of this Certificate of Incorporation, the term "**Whole Board**" shall mean the total number of authorized directors whether or not there exist any vacancies in previously authorized directorships. The stockholders shall also have power to adopt, amend or repeal the Bylaws of the Corporation; *provided*, *however*, that in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by this Certificate of Incorporation (including any Preferred Stock issued pursuant to a Certificate of Designation), the affirmative vote of the holders of at least two-thirds of the voting power of all of the then-outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt, amend or repeal any provision of the Bylaws of the Corporation.

ARTICLE VI: MATTERS RELATING TO THE BOARD OF DIRECTORS

1. Director Powers. The conduct of the affairs of the Corporation shall be managed by or under the direction of the Board. In addition to the powers and authority expressly conferred upon them by statute or by this Certificate of Incorporation or the Bylaws of the Corporation, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

2. Number of Directors. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, the number of directors shall be fixed from time to time exclusively by resolution adopted by a majority of the Whole Board.

3. Classified Board. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, the directors shall be divided, with respect to the time for which they severally hold office, into three classes designated as Class I, Class II and Class III, respectively (the "**Classified Board**"). The Board may assign members of the Board already in office to the Classified Board, which assignments shall become effective at the same time the Classified Board becomes effective. Directors shall be assigned to each class in accordance with a resolution or resolutions adopted by the Board, with the number of directors in each class to be divided as nearly equal as reasonably possible. The initial term of office of the Class I directors shall expire at the Corporation's first annual meeting of stockholders following the closing of the Corporation's initial public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, relating to the offer and sale of Common Stock to the public (the "**Initial Public Offering**"), the initial term of office of the Class II directors shall expire at the Corporation's second annual meeting of stockholders following the closing of the Initial Public Offering and the initial term of office of the Class III directors shall expire at the Corporation's third annual meeting of stockholders following the closing of the Initial Public Offering. At each annual meeting of stockholders following the closing of the Initial Public Offering, directors elected to succeed those directors of the class whose terms then expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election.

4. Term and Removal . Each director shall hold office until such director's successor is elected and qualified, or until such director's earlier death, resignation or removal. Any director may resign at any time upon notice to the Corporation given in writing or by any electronic transmission permitted in the Corporation's Bylaws. Subject to the rights of the holders of any series of Preferred Stock, no director may be removed except for cause and only by the affirmative vote of the holders of at least two-thirds of the voting power of the then-outstanding shares of capital stock of the Corporation then entitled to vote at an election of directors voting together as a single class. No decrease in the authorized number of directors constituting the Board shall shorten the term of any incumbent director.

5. Board Vacancies . Subject to the rights of the holders of any series of Preferred Stock, any vacancy occurring in the Board for any cause, and any newly created directorship resulting from any increase in the authorized number of directors, shall, unless (a) the Board determines by resolution that any such vacancies or newly created directorships shall be filled by the stockholders or (b) as otherwise provided by law, be filled only by the affirmative vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director, and not by the stockholders. Any director elected in accordance with the preceding sentence shall hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which the director has been assigned expires or until such director's successor shall have been duly elected and qualified, or until such director's earlier death, resignation or removal.

6. Vote by Ballot . Election of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

ARTICLE VII: DIRECTOR LIABILITY

1. Limitation of Liability . To the fullest extent permitted by law, no director of the Corporation shall be personally liable for monetary damages for breach of fiduciary duty as a director. Without limiting the effect of the preceding sentence, if the Delaware General Corporation Law is hereafter amended to authorize the further elimination or limitation of the liability of a director, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

2. Change in Rights . Neither any amendment nor repeal of this Article VII, nor the adoption of any provision of this Certificate of Incorporation inconsistent with this Article VII, shall eliminate, reduce or otherwise adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such amendment, repeal or adoption of such an inconsistent provision.

ARTICLE VIII: MATTERS RELATING TO STOCKHOLDERS

1. No Action by Written Consent of Stockholders . Subject to the rights of any series of Preferred Stock, no action shall be taken by the stockholders of the Corporation except at a duly called annual or special meeting of stockholders and no action shall be taken by the stockholders by written consent.

2. Special Meeting of Stockholders . Special meetings of the stockholders of the Corporation may be called only by the Chairperson of the Board, the Chief Executive Officer, the President or the Board acting pursuant to a resolution adopted by a majority of the Whole Board.

3. Advance Notice of Stockholder Nominations and Business Transacted at Special Meetings . Advance notice of stockholder nominations for the election of directors of the Corporation and of business to be brought by stockholders before any meeting of stockholders of the Corporation shall be given in the manner provided in the Bylaws of the Corporation. Business transacted at special meetings of stockholders shall be confined to the purpose or purposes stated in the notice of meeting.

ARTICLE IX: CHOICE OF FORUM

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Corporation; (b) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders; (c) any action asserting a claim against the Corporation arising pursuant to any provision of the Delaware General Corporation Law, this Certificate of Incorporation or the Bylaws; (d) any action to interpret, apply, enforce or determine the validity of this Certificate of Incorporation or the Bylaws; or (e) any action asserting a claim against the Corporation governed by the internal affairs doctrine. Unless the Corporation consents in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States of America shall be the sole and exclusive forum for the resolution of any complaint asserting a cause of action against the Corporation or any director, officer, employee or agent of the Corporation arising under the Securities Act of 1933, as amended. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article IX.

ARTICLE X: AMENDMENT OF CERTIFICATE OF INCORPORATION

If any provision of this Certificate of Incorporation becomes or is declared on any ground by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Certificate of Incorporation, and the court will replace such illegal, void or unenforceable provision of this Certificate of Incorporation with a valid and enforceable provision that most accurately reflects the Corporation's intent, in order to achieve, to the maximum extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision. The balance of this Certificate of Incorporation shall be enforceable in accordance with its terms.

The Corporation reserves the right to amend or repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware and all rights conferred upon stockholders are granted subject to this reservation; *provided, however*, that, notwithstanding any other provision of this Certificate of Incorporation or any provision of law that might otherwise permit a lesser vote or no vote, but in addition to any vote of the holders of any class or series of the stock of this Corporation required by law or by this Certificate of Incorporation, the affirmative vote of the holders of at least two-thirds of the voting power of all of the then-outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend or repeal this Article X or Article V, Article VI, Article VII or Article VIII.

ARTICLE XI: OFFICER LIABILITY

1. Limitation of Liability. To the fullest extent permitted by law, no officer of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as an officer. Without limiting the effect of the preceding sentence, if the Delaware General Corporation Law is hereafter amended to authorize the further elimination or limitation of the liability of an officer, then the liability of an officer of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

2. Change in Rights. Neither any amendment nor repeal of this Article XI, nor the adoption of any provision of this Certificate of Incorporation inconsistent with this Article XI, shall eliminate, reduce or otherwise adversely affect any limitation on the personal liability of an officer of the Corporation existing at the time of such amendment, repeal or adoption of such an inconsistent provision.

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**LENDINGCLUB CORPORATION
2014 EMPLOYEE STOCK PURCHASE PLAN
As Amended and Restated on June 11, 2024**

1. PURPOSE. The purpose of this Plan is to provide eligible employees of the Company and the Participating Corporations with a means of acquiring an equity interest in the Company through payroll deductions, to enhance such employees' sense of participation in the affairs of the Company. Capitalized terms not defined elsewhere in the text are defined in Section 29.

2. ESTABLISHMENT OF PLAN. The Company proposes to grant rights to purchase shares of Common Stock to eligible employees of the Company and its Participating Corporations pursuant to this Plan. The Company intends this Plan to qualify as an "employee stock purchase plan" under Section 423 of the Code (including any amendments to or replacements of such Section), and this Plan shall be so construed. Any term not expressly defined in this Plan but defined for purposes of Section 423 of the Code shall have the same definition herein. In addition, with regard to offers of options to purchase shares of the Common Stock under the Plan to employees working for a Subsidiary or an Affiliate outside the United States, this Plan authorizes the grant of options that are not intended to meet Section 423 requirements, provided, if necessary under Section 423 of the Code, the other terms and conditions of the Plan are met.

The shares of Common Stock purchasable by Participants under the Plan shall, solely in the Committee's discretion, be made available from either authorized but unissued shares of Common Stock or from reacquired shares of Common Stock, including shares purchased on the open market. Subject to Section 14, a total of 600,000 shares are reserved for issuance under this Plan. In addition, on each January 1 of each of the calendar years 2015 through 2024, the aggregate number of shares of Common Stock reserved for issuance under the Plan shall be increased automatically by the number of shares equal to one percent (1%) of the total number of outstanding shares of Common Stock and Common Stock equivalents outstanding on the immediately preceding December 31 (rounded down to the nearest whole share); provided, that the Board or the Committee may in its sole discretion reduce the amount of the increase in any particular year. Subject to Section 14, no more than Eleven million, two hundred thousand (11,200,000) shares of Common Stock may be issued over the term of this Plan. The number of shares initially reserved for issuance under this Plan and the maximum number of shares that may be issued under this Plan shall be subject to adjustments effected in accordance with Section 14.

3. ADMINISTRATION. The Plan will be administered by the Committee. Subject to the provisions of this Plan and the limitations of Section 423 of the Code or any successor provision in the Code, all questions of interpretation or application of this Plan shall be determined by the Committee and its decisions shall be final and binding upon all Participants. The Committee will have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility, to designate the Participating Corporations, to determine when to grant options that are not intended to meet the Code Section 423 requirements and to decide upon any and all claims filed under the Plan. Every finding, decision and determination made by the Committee will, to the full extent permitted by law, be final and binding upon all parties. Notwithstanding any provision to the contrary in this Plan, the Committee may adopt rules, sub-plans, and/or procedures relating to the operation and administration of the Plan designed to comply with local laws, regulations or customs or to achieve tax, securities law or other objectives for eligible employees outside of the United States. The Committee will have the authority to determine the Fair Market Value of the Common Stock (which determination shall be final, binding and conclusive for all purposes) in accordance with Section 8 below and to interpret Section 8 of the Plan in connection with circumstances that impact the Fair Market Value. Members of the Committee shall receive no compensation for their services in connection with the administration of this Plan, other than standard fees as established from time to time by the Board for services rendered by Board members serving on Board committees. All expenses incurred in connection with the administration of this Plan shall be paid by the Company. For purposes of this Plan, the Committee may designate separate offerings under the Plan (the terms of which need not be identical) in which eligible employees of one or more Participating Corporations will participate, even if the dates of the applicable Offering Periods of each such offering are identical.

4. ELIGIBILITY.

(a) Any employee of the Company or the Participating Corporations is eligible to participate in an Offering Period under this Plan, except that one or more of the following categories of employees may be excluded from coverage under the Plan by the Committee (other than where prohibited by applicable law):

- (i) employees who are customarily employed for twenty (20) hours or less per week;
- (ii) employees who are customarily employed for five (5) months or less in a calendar year; and
- (iii) employees who do not meet any other eligibility requirements that the Committee may choose to impose (within the limits permitted by the Code).

The foregoing notwithstanding, an individual shall not be eligible if his or her participation in the Plan is prohibited by the law of any country that has jurisdiction over him or her, if complying with the laws of the applicable country would cause the Plan to violate Section 423 of the Code, or if he or she is subject to a collective bargaining agreement that does not provide for participation in the Plan.

(b) No employee who, together with any other person whose stock would be attributed to such employee pursuant to Section 424(d) of the Code, owns stock or holds options to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or its Parent or Subsidiary or who, as a result of being granted an option under this Plan with respect to such Offering Period, would own stock or hold options to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or its Parent or Subsidiary shall be granted an option to purchase Common Stock under the Plan.

5. OFFERING DATES.

(a) Each Offering Period of this Plan may be of up to twenty-seven (27) months duration and shall commence and end at the times designated by the Committee. Each Offering Period may consist of one or more Purchase Periods during which payroll deductions of Participants are accumulated under this Plan.

(b) The initial Offering Period shall commence on the Effective Date and shall end with the Purchase Date that occurs on May 10, 2015 or another date selected by the Committee which is six (6) months or more after the commencement of the initial Offering Period, but no more than twenty-seven (27) months after the commencement of the initial Offering period. The initial Offering Period shall consist of one Purchase Period. Thereafter, a six (6) month Offering Period shall commence on each May 11 and November 11, with each such Offering Period also consisting of one six-month Purchase Period, except as otherwise provided by an applicable subplan, or on such other date determined by the Committee. The Committee may at any time establish a different duration for an Offering Period or Purchase Period to be effective after the next scheduled Purchase Date.

6. PARTICIPATION IN THIS PLAN.

(a) Any employee who is an eligible employee determined in accordance with Section 4 immediately prior to an Offering Period will be eligible to participate in this Plan, subject to the requirement of Section 6(b) hereof and the other terms and provisions of this Plan.

(b) With respect to each Offering Period, a Participant may elect to participate in this Plan by submitting an enrollment agreement prior to the commencement of the Offering Period (or such earlier date as the Committee may determine) to which such agreement relates.

(c) Once an employee becomes a Participant in an Offering Period, then such Participant will automatically participate in each subsequent Offering Period commencing immediately following the last day of the prior Offering Period unless the Participant withdraws or is deemed to withdraw from this Plan or terminates further participation in an Offering Period as set forth in Section 11 below. A Participant who is continuing participation pursuant to the preceding sentence is not required to file any additional enrollment agreement in order to continue participation in this Plan; a Participant who is not continuing participation pursuant to the preceding sentence is required to file an enrollment agreement prior to the commencement of the Offering Period (or such earlier date as the Committee may determine) to which such agreement relates.

7. GRANT OF OPTION ON ENROLLMENT. Becoming a Participant with respect to an Offering Period will constitute the grant (as of the Offering Date) by the Company to such Participant of an option to purchase on the Purchase Date up to that number of shares of Common Stock of the Company determined by a fraction, the numerator of which is the amount accumulated in such Participant's payroll deduction account during such Purchase Period and the denominator of which is the lower of (i) the Offering Date Price (as such term is defined in Section 8(a) below but in no event less than the par value of a share of the Common Stock), or (ii) the Purchase Date Price (as such term is defined in Section 8(b) below); provided, however, that the number of shares of Common Stock subject to any option granted pursuant to this Plan shall not exceed the lesser of (x) the maximum number of shares set by the Committee pursuant to Section 10(b) below with respect to the applicable Purchase Date, or (y) the maximum number of shares which may be purchased pursuant to Section 10(a) below with respect to the applicable Purchase Date.

8. PURCHASE PRICE. The Purchase Price per share at which a share of Common Stock will be sold in any Offering Period shall be determined by the Committee (and the Committee may change the discount from Fair Market Value from one Offering Period to another), but shall be no less than eighty-five percent (85%) of the lesser of:

- (a) The Fair Market Value on the Offering Date (with applicable discount, the "Offering Date Price"); or
- (b) The Fair Market Value on the Purchase Date (with applicable discount, the "Purchase Date Price").

9. PAYMENT OF PURCHASE PRICE; PAYROLL DEDUCTION CHANGES; SHARE ISSUANCES.

(a) The Purchase Price shall be accumulated by regular payroll deductions made during each Offering Period, unless the Committee determines with respect to categories of Participants outside the United States that contributions may be made in another form due to local legal requirements. The deductions are made as a percentage of the Participant's compensation in one percent (1%) increments not less than one percent (1%), nor greater than fifteen percent (15%) or such lower limit set by the Committee. Compensation shall mean base salary (or in foreign jurisdictions, equivalent cash compensation); however, the Committee may at any time prior to the beginning of an Offering Period determine that for that and future Offering Periods, Compensation shall mean solely base salary or all W-2 cash compensation, including without limitation base salary or regular hourly wages, bonuses, incentive compensation, commissions, overtime, shift premiums, plus draws against commissions (or in foreign jurisdictions, equivalent cash compensation). For purposes of determining a Participant's Compensation, any election by such Participant to reduce his or her regular cash remuneration under Sections 125 or 401(k) of the Code (or in foreign jurisdictions, equivalent salary deductions) shall be treated as if the Participant did not make such election. Payroll deductions shall commence on the first payday following the last Purchase Date (with respect to the initial Offering Period, as soon as practicable following the effective date of filing with the U.S. Securities and Exchange Commission a securities registration statement for the Plan) and shall continue to the end of the Offering Period unless sooner altered or terminated as provided in this Plan. Notwithstanding the foregoing, the terms of any sub-plan may permit matching shares without the payment of any purchase price.

(b) A Participant may decrease the rate of payroll deductions during an Offering Period by filing with the Company a new authorization for payroll deductions, with the new rate to become effective no later than the second payroll period commencing after the Company's receipt of the authorization and continuing for the remainder of the Offering Period unless changed as described below. A decrease in the rate of payroll deductions may be made once during a Purchase Period or more frequently under rules determined by the Committee. A Participant may increase or decrease the rate of payroll deductions for any subsequent Purchase Period by filing with the Company a new authorization for payroll deductions prior to the beginning of such Purchase Period, or such other time period as specified by the Committee.

(c) A Participant may reduce his or her payroll deduction percentage to zero during an Offering Period by filing with the Company a request for cessation of payroll deductions. Such reduction shall be effective beginning no later than the second payroll period after the Company's receipt of the request and no further payroll deductions will be made for the duration of the Offering Period. Payroll deductions credited to the Participant's account prior to the effective date of the request shall be used to purchase shares of Common Stock in accordance with Subsection (e) below. A reduction of the payroll deduction percentage to zero shall be treated as such Participant's withdrawal from such Offering Period and the Plan, effective as of the day after the next Purchase Date following the filing date of such request with the Company.

(d) All payroll deductions made for a Participant are credited to his or her account under this Plan and are deposited with the general funds of the Company, except to the extent local legal restrictions outside the United States require segregation of such payroll deductions. No interest accrues on the payroll deductions, except to the extent required due to local legal requirements. All payroll deductions received or held by the Company may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions, except to the extent necessary to comply with local legal requirements outside the United States.

(e) On each Purchase Date, so long as this Plan remains in effect and provided that the Participant has not submitted a signed and completed withdrawal form before that date which notifies the Company that the Participant wishes to withdraw from that Offering Period under this Plan and have all payroll deductions accumulated in the account maintained on behalf of the Participant as of that date returned to the Participant, the Company shall apply the funds then in the Participant's account to the purchase of whole shares of Common Stock reserved under the option granted to such Participant with respect to the Offering Period to the extent that such option is exercisable on the Purchase Date. The Purchase Price per share shall be as specified in Section 8 of this Plan. Any fractional share, as calculated under this Subsection (e), shall be rounded down to the next lower whole share, unless the Committee determines with respect to all Participants that any fractional share shall be credited as a fractional share. Any amount remaining in a Participant's account on a Purchase Date which is less than the amount necessary to purchase a full share of Common Stock shall be returned to the Participant, without interest (except to the extent necessary to comply with local legal requirements outside the United States). In the event that this Plan has been oversubscribed, all funds not used to purchase shares on the Purchase Date shall be returned to the Participant, without interest (except to the extent required due to local legal requirements outside the United States). No Common Stock shall be purchased on a Purchase Date on behalf of any employee whose participation in this Plan has terminated prior to such Purchase Date, except to the extent required due to local legal requirements outside the United States.

(f) As promptly as practicable after the Purchase Date, the Company shall issue shares for the Participant's benefit representing the shares purchased upon exercise of his or her option.

(g) During a Participant's lifetime, his or her option to purchase shares hereunder is exercisable only by him or her. The Participant will have no interest or voting right in shares covered by his or her option until such option has been exercised.

(h) To the extent required by applicable federal, state, local or foreign law, a Participant shall make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise in connection with the Plan. The Company or any Subsidiary or Affiliate, as applicable, may withhold, by any method permissible under the applicable law, the amount necessary for the Company or Subsidiary or Affiliate, as applicable, to meet applicable withholding obligations, including any withholding required to make available to the Company or Subsidiary or Affiliate, as applicable, any tax deductions or benefits attributable to the sale or early disposition of shares of Common Stock by a Participant. The Company shall not be required to issue any shares of Common Stock under the Plan until such obligations are satisfied.

10. LIMITATIONS ON SHARES TO BE PURCHASED.

(a) Any other provision of the Plan notwithstanding, no Participant shall purchase Common Stock with a Fair Market Value in excess of the following limit:

(i) In the case of Common Stock purchased during an Offering Period that commenced in the current calendar year, the limit shall be equal to (A) \$25,000 minus (B) the Fair Market Value of the Common Stock that the Participant previously purchased in the current calendar year (under this Plan and all other employee stock purchase plans of the Company or any parent or Subsidiary of the Company).

(ii) In the case of Common Stock purchased during an Offering Period that commenced in the immediately preceding calendar year, the limit shall be equal to (A) \$50,000 minus (B) the Fair Market Value of the Common Stock that the Participant previously purchased (under this Plan and all other employee stock purchase plans of the Company or any parent or Subsidiary of the Company) in the current calendar year and in the immediately preceding calendar year.

(iii) In the case of Common Stock purchased during an Offering Period that commenced two calendar years prior, the limit shall be equal to (A) \$75,000 minus (B) the Fair Market Value of the Common Stock that the Participant previously purchased (under this Plan and all other employee stock purchase plans of the Company or any parent or Subsidiary of the Company) in the current calendar year and in the two immediately preceding calendar years.

For purposes of this Subsection (a), the Fair Market Value of Common Stock shall be determined in each case as of the beginning of the Offering Period in which such Common Stock is purchased. Employee stock purchase plans not described in Section 423 of the Code shall be disregarded. If a Participant is precluded by this Subsection (a) from purchasing additional Common Stock under the Plan, then his or her employee contributions shall automatically be discontinued and shall automatically resume at the beginning of the earliest Purchase Period that will end in the next calendar year (if he or she then is an eligible employee), provided that when the Company automatically resumes such payroll deductions, the Company must apply the rate in effect immediately prior to such suspension.

(b) In no event shall a Participant be permitted to purchase more than 500 shares on any one Purchase Date or such lesser number as the Committee shall determine. If a lower limit is set under this Subsection (b), then all Participants will be notified of such limit prior to the commencement of the next Offering Period for which it is to be effective.

(c) If the number of shares to be purchased on a Purchase Date by all Participants exceeds the number of shares then available for issuance under this Plan, then the Company will make a pro rata allocation of the remaining shares in as uniform a manner as shall be reasonably practicable and as the Committee shall determine to be equitable. In such event, the Company will give notice of such reduction of the number of shares to be purchased under a Participant's option to each Participant affected.

(d) Any payroll deductions accumulated in a Participant's account which are not used to purchase stock due to the limitations in this Section 10, and not covered by Section 9(e), shall be returned to the Participant as soon as

practicable after the end of the applicable Purchase Period, without interest (except to the extent required due to local legal requirements outside the United States).

11. WITHDRAWAL.

(a) Each Participant may withdraw from an Offering Period under this Plan pursuant to a method specified for such purpose by the Company. Such withdrawal may be elected at any time prior to the end of an Offering Period, or such other time period as specified by the Committee.

(b) Upon withdrawal from this Plan, the accumulated payroll deductions shall be returned to the withdrawn Participant, without interest (except to the extent required due to local legal requirements outside the United States), and his or her interest in this Plan shall terminate. In the event a Participant voluntarily elects to withdraw from this Plan, he or she may not resume his or her participation in this Plan during the same Offering Period, but he or she may participate in any Offering Period under this Plan which commences on a date subsequent to such withdrawal by filing a new authorization for payroll deductions in the same manner as set forth in Section 6 above for initial participation in this Plan.

12. TERMINATION OF EMPLOYMENT. Termination of a Participant's employment for any reason, including retirement, death, disability, or the failure of a Participant to remain an eligible employee of the Company or of a Participating Corporation, immediately terminates his or her participation in this Plan. In such event, accumulated payroll deductions credited to the Participant's account will be returned to him or her or, in the case of his or her death, to his or her legal representative, without interest (except to the extent required due to local legal requirements outside the United States). For purposes of this Section 12, an employee will not be deemed to have terminated employment or failed to remain in the continuous employ of the Company or of a Participating Corporation in the case of sick leave, military leave, or any other leave of absence approved by the Company; provided that such leave is for a period of not more than ninety (90) days or reemployment upon the expiration of such leave is guaranteed by contract or statute. The Company will have sole discretion to determine whether a Participant has terminated employment and the effective date on which the Participant terminated employment, regardless of any notice period or garden leave required under local law.

13. RETURN OF PAYROLL DEDUCTIONS. In the event a Participant's interest in this Plan is terminated by withdrawal, termination of employment or otherwise, or in the event this Plan is terminated by the Board, the Company shall deliver to the Participant all accumulated payroll deductions credited to such Participant's account. No interest shall accrue on the payroll deductions of a Participant in this Plan (except to the extent required due to local legal requirements outside the United States).

14. CAPITAL CHANGES. 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 the Committee shall adjust the number and class of Common Stock that may be delivered under the Plan, the Purchase Price per share and the number of shares of Common Stock covered by each option under the Plan which has not yet been exercised, and the numerical limits of Sections 2 and 10 shall be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and in compliance with the applicable securities laws; provided that fractions of a share will not be issued.

15. NONASSIGNABILITY. Neither payroll deductions credited to a Participant's account nor any rights with regard to the exercise of an option or to receive shares under this Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or as provided in Section 22 below) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition shall be void and without effect.

16. USE OF PARTICIPANT FUNDS AND REPORTS. The Company may use all payroll deductions received or held by it under the Plan for any corporate purpose, and the Company will not be required to segregate Participant payroll deductions (except to the extent required due to local legal requirements outside the United States). Until shares are issued, a Participant will only have the rights of an unsecured creditor unless otherwise required under local law. Each Participant shall receive promptly after the end of each Purchase Period a report of his or her account setting forth the total payroll deductions accumulated, the number of shares purchased, the per share price thereof and the remaining cash balance, if any, carried forward to the next Purchase Period or Offering Period, as the case may be.

17. NOTICE OF DISPOSITION. Each U.S. taxpayer Participant shall notify the Company in writing if the Participant disposes of any of the shares purchased in any Offering Period pursuant to this Plan if such disposition occurs within the Notice Period. The Company may, at any time during the Notice Period, place a legend or legends on any certificate representing shares acquired pursuant to this Plan requesting the Company's transfer agent to notify the Company of any transfer of the shares. The obligation of the Participant to provide such notice shall continue notwithstanding the placement of any such legend on the certificates.

18. NO RIGHTS TO CONTINUED EMPLOYMENT. Neither this Plan nor the grant of any option hereunder shall confer any right on any employee to remain in the employ of the Company or any Participating Corporation, or restrict the right of the Company or any Participating Corporation to terminate such employee's employment.

19. EQUAL RIGHTS AND PRIVILEGES. All eligible employees granted an option under this Plan that is intended to meet the Code Section 423 requirements shall have equal rights and privileges with respect to this Plan or within any separate offering under the Plan so that this Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 or any successor provision of the Code and the related regulations. Any provision of this Plan which is inconsistent with Section 423 or any successor provision of the Code, without further act or amendment by the Company, the Committee or the Board, shall be reformed to comply with the requirements of Section 423. This Section 19 shall take precedence over all other provisions in this Plan.

20. NOTICES. All notices or other communications by a Participant to the Company under or in connection with this Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

21. TERM; STOCKHOLDER APPROVAL. This Plan will become effective on the Effective Date. This Plan shall be approved by the stockholders of the Company, in any manner permitted by applicable corporate law, within twelve (12) months before or after the date this Plan is adopted by the Board. No purchase of shares that are subject to such stockholder approval before becoming available under this Plan shall occur prior to stockholder approval of such shares and the Board or Committee may delay any Purchase Date and postpone the commencement of any Offering Period subsequent to such Purchase Date as deemed necessary or desirable to obtain such approval (provided that if a Purchase Date would occur more than twenty-four (24) months after commencement of the Offering Period to which it relates, then such Purchase Date shall not occur and instead such Offering Period shall terminate without the purchase of such shares and Participants in such Offering Period shall be refunded their contributions without interest). This Plan shall continue until the earlier to occur of (a) termination of this Plan by the Board (which termination may be effected by the Board at any time pursuant to Section 25 below), (b) issuance of all of the shares of Common Stock reserved for issuance under this Plan, or (c) the twentieth anniversary of the Effective Date under the Plan.

22. DESIGNATION OF BENEFICIARY.

(a) Unless otherwise determined by the Committee, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant's account under this Plan in the event of such Participant's death prior to a Purchase Date. Such form shall be valid only if it was filed with the Company at the prescribed location before the Participant's death.

(b) Such designation of beneficiary may be changed by the Participant at any time by written notice filed with the Company at the prescribed location before the Participant's death. In the event of the death of a Participant and in the absence of a beneficiary validly designated under this Plan who is living at the time of such Participant's death, the Company shall deliver such cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such cash to the spouse or, if no spouse is known to the Company, then to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

23. CONDITIONS UPON ISSUANCE OF SHARES; LIMITATION ON SALE OF SHARES. Shares shall not be issued with respect to an option unless the exercise of such option and the issuance and delivery of such shares pursuant thereto shall comply with all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act of 1933, the Securities Exchange Act of 1934, as amended, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or automated quotation system upon which the shares may then be listed, exchange control restrictions and/or securities law restrictions outside the United States, and shall be further subject to the approval of counsel for the Company with respect to such compliance. Shares may be held in trust or subject to further restrictions as permitted by any subplan.

24. APPLICABLE LAW. The Plan shall be governed by the substantive laws (excluding the conflict of laws rules) of the State of Delaware.

25. AMENDMENT OR TERMINATION. The Committee, in its sole discretion, may amend, suspend, or terminate the Plan, or any part thereof, at any time and for any reason. If the Plan is terminated, the Committee, in its discretion, may elect to terminate all outstanding Offering Periods either immediately or upon completion of the purchase of shares of Common Stock on the next Purchase Date (which may be sooner than originally scheduled, if determined by the Committee in its discretion), or may elect to permit Offering Periods to expire in accordance with their terms (and subject to any adjustment pursuant to Section 14). If an Offering Period is terminated prior to its previously-scheduled expiration, all amounts then credited to Participants' accounts for such Offering Period, which have not been used to purchase shares of Common Stock, shall be returned to those Participants (without interest thereon, except as otherwise required under local laws) as soon as administratively practicable. Further, the Committee will be entitled to change the Purchase Periods and Offering Periods, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld or contributed in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the administration of the Plan, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's base salary and other eligible compensation, and establish such other limitations or procedures as the Committee determines in its sole discretion advisable which are consistent with the Plan. Such actions will not require stockholder approval or the consent of any Participants. However, no amendment shall be made without approval of the stockholders of the Company (obtained in accordance with Section 21 above) within twelve (12) months of the adoption of such amendment (or earlier if required by Section 21) if such amendment would: (a) increase the number of shares that may be issued under this Plan; or (b) change the designation of the employees (or class of employees) eligible for participation in this Plan. In addition, in the event the Board or Committee determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Board or Committee may, in its discretion and, to the extent necessary or desirable, modify, amend or terminate the Plan to reduce or eliminate such accounting consequences including, but not limited to: (i) amending the definition of compensation, including with respect to an Offering Period underway at the time; (ii) altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price; (iii) shortening any Offering Period by setting a Purchase Date, including an Offering Period underway at the time of the Committee's action; (iv) reducing the maximum percentage of compensation a participant may elect to set aside as payroll deductions; and (v) reducing the

maximum number of shares a Participant may purchase during any Offering Period. Such modifications or amendments will not require approval of the stockholders of the Company or the consent of any Participants.

26. CORPORATE TRANSACTIONS. In the event of a Corporate Transaction, the Offering Period for each outstanding right to purchase Common Stock will be shortened by setting a new Purchase Date and will end on the new Purchase Date. The new Purchase Date shall occur on or prior to the consummation of the Corporate Transaction, as determined by the Board or Committee, and the Plan shall terminate on the consummation of the Corporate Transaction.

27. CODE SECTION 409A; TAX QUALIFICATION.

(a) Options granted under the Plan generally are exempt from the application of Section 409A of the Code. However, options granted to U.S. taxpayers which are not intended to meet the Code Section 423 requirements are intended to be exempt from the application of Section 409A of the Code under the short-term deferral exception and any ambiguities shall be construed and interpreted in accordance with such intent. Subject to Subsection (b), options granted to U.S. taxpayers outside of the Code Section 423 requirements shall be subject to such terms and conditions that will permit such options to satisfy the requirements of the short-term deferral exception available under Section 409A of the Code, including the requirement that the shares of Common Stock subject to an option be delivered within the short-term deferral period. Subject to Subsection (b), in the case of a Participant who would otherwise be subject to Section 409A of the Code, to the extent the Committee determines that an option or the exercise, payment, settlement or deferral thereof is subject to Section 409A of the Code, the option shall be granted, exercised, paid, settled or deferred in a manner that will comply with Section 409A of the Code, including Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding the foregoing, the Company shall have no liability to a Participant or any other party if the option that is intended to be exempt from or compliant with Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee with respect thereto.

(b) Although the Company may endeavor to (i) qualify an option for favorable tax treatment under the laws of the United States or jurisdictions outside of the United States or (ii) avoid adverse tax treatment (e.g. , under Section 409A of the Code), the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment, notwithstanding anything to the contrary in this Plan, including Subsection (a). The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on Participants under the Plan.

28. HOLDING PERIOD.

In advance of any Offering Period, the Committee may require that any shares of Common Stock acquired under the Plan by Participants during such Offering Period be restricted from being sold or otherwise disposed of by the Participant until a certain period of time, to be established by the Committee in advance of the applicable Offering Period, lapses from the applicable Purchase Date.

29. DEFINITIONS.

(a) “**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.

(b) “**Board**” shall mean the Board of Directors of the Company.

(c) “**Code**” shall mean the Internal Revenue Code of 1986, as amended.

(d) "**Committee**" shall mean the Compensation Committee of the Board that consists exclusively of one or more members of the Board appointed by the Board.

(e) "**Common Stock**" shall mean the common stock of the Company.

(f) "**Company**" shall mean LendingClub Corporation.

(g) "**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 fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities; or (ii) the consummation of the sale or disposition by the Company of all or substantially all of the Company's assets; or (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) at least 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.

(h) "**Effective Date**" shall mean the date on which the Registration Statement related to the initial public offering of the shares of Common Stock is declared effective by the U.S. Securities and Exchange Commission.

(i) "**Fair Market Value**" shall mean, as of any date, the value of a share of Common Stock determined as follows:

- (1) if such Common Stock is then quoted on the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market (collectively, the "**Nasdaq Market**"), its closing price on the Nasdaq Market on the date of determination, or if there are no sales for such date, then the last preceding business day on which there were sales, as reported in *The Wall Street Journal* or such other source as the Board or the Committee deems reliable; or
- (2) 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 Board or the Committee deems reliable; or
- (3) if such Common Stock is publicly traded but is neither quoted on the Nasdaq Market nor listed or 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 Board or the Committee deems reliable; or
- (4) with respect to the initial Offering Period, Fair Market Value on the Offering Date shall be the price at which shares of Common Stock are offered to the public pursuant to the Registration Statement covering the initial public offering of shares of Common Stock; and
- (5) if none of the foregoing is applicable, by the Board or the Committee in good faith.

(j) "**IPO**" shall mean the initial public offering of Common Stock.

(k) "**Notice Period**" shall mean within two (2) years from the Offering Date or within one (1) year from the Purchase Date on which such shares were purchased.

- (l) "**Offering Date**" shall mean the first business day of each Offering Period. However, for the initial Offering Period the Offering Date shall be the Effective Date.
- (m) "**Offering Period**" shall mean a period with respect to which the right to purchase Common Stock may be granted under the Plan, as determined by the Committee pursuant to Section 5(a).
- (n) "**Parent**" shall have the same meaning as "parent corporation" in Sections 424(e) and 424(f) of the Code.
- (o) "**Participant**" shall mean an eligible employee who meets the eligibility requirements set forth in Section 4 and who is either automatically enrolled in the initial Offering Period or who elects to participate in this Plan pursuant to Section 6(b).
- (p) "**Participating Corporation**" shall mean any Parent, Subsidiary or Affiliate that the Committee designates from time to time as eligible to participate in this Plan, provided, however, that employees of Affiliates that are designated for participation may be granted only options that do not intend to comply with the Code Section 423 requirements.
- (q) "**Plan**" shall mean this LendingClub Corporation 2014 Employee Stock Purchase Plan.
- (r) "**Purchase Date**" shall mean the last business day of each Purchase Period.
- (s) "**Purchase Period**" shall mean a period during which contributions may be made toward the purchase of Common Stock under the Plan, as determined by the Committee pursuant to Section 5(b).
- (t) "**Purchase Price**" shall mean the price at which Participants may purchase shares of Common Stock under the Plan, as determined pursuant to Section 8.
- (u) "**Subsidiary**" shall have the same meaning as "subsidiary corporation" in Sections 424(e) and 424(f) of the Code.

CERTIFICATION

I, Scott Sanborn, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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: August 1, 2024

/s/ SCOTT SANBORN
 Scott Sanborn
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION

I, Andrew LaBonne, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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: August 1, 2024

/s/ ANDREW LABENNE

Andrew LaBonne

Chief Financial Officer

**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 Quarterly Report of LendingClub Corporation (the "Company") on Form 10-Q for the year ended June 30, 2024, 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/ ANDREW LABENNE

Andrew LaBenne
Chief Financial Officer

Dated: August 1, 2024