

February 3, 2015  
**Financial Technology Partners LP**  
**FTP Securities LLC**  
Transaction Profile:



*raises*

**\$200,000,000**

*in Series D financing led by*



*Courtesy of:*



***The Only Investment Bank***  
***Focused Exclusively on Financial Technology***

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# SoFi Raises \$200 mm in Series D Financing

## Transaction Summary & SoFi Overview

### Transaction Summary

- On February 3, 2015, SoFi announced that it has raised \$200 million in a Series D financing round led by Third Point Ventures, Wellington Management Company and Institutional Venture Partners
- This latest round of funding will be used by SoFi to expand new consumer lending products and grow its marketplace
- Additionally, the Company's low down payment mortgage loans will expand to a wider base from the 12 states where they are currently offered

*"Member response to the SoFi experience – our nontraditional underwriting approach, product innovation, and seamless customer service has proven that we're becoming the preeminent financial services provider for early career professionals. This financing allows us to continue to expand our unique offerings to them while delivering access to premium credit for our marketplace investors"*

**- Mike Cagney, CEO of SoFi**

### Selected Previous Equity Financings

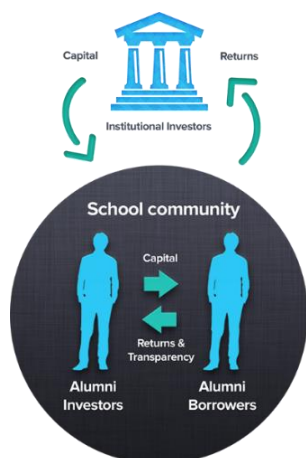
Date	Size (\$ mm)	Lead Investors
04/03/14	\$80	WICKLOW CAPITAL DISCOVERY CAPITAL
09/12/12	77	Renren dcm baseline VENTURES
09/19/11	4	baseline VENTURES

### SoFi Overview

CEO: Mike Cagney  
Headquarters: San Francisco, CA  
Founded: 2011  
Employees: 200

- SoFi is a marketplace lender with an emphasis on private and federal student loan refinancing
  - The average amount SoFi's customers save from refinancing student loans equals \$11,783
- The Company's services also include MBA loans, mortgage loans & refinancing and personal loans
- Over \$1.75 billion in loans have been funded through SoFi
- The Company was also the first American marketplace lender to provide home mortgages
- The Company's underwriting method uses merit and career success history, focusing on refinancing for students from top tier universities
- SoFi uses a local, community centered model to create stronger ties between borrowers and investors
- The Company also offers career services for its members
  - Professional advice and career coaching programs
  - Entrepreneur mentoring and six-month deferment for business development

Source: Company press release, Company website.





# SoFi Raises \$200 mm in Series D Financing

## Product Overview

**Best known for student loan refinancing, SoFi also offers MBA loans, mortgage loans and refinancing as well as personal loans**



### Student Loan Refinancing

- Borrowers can receive Variable or Fixed Rate loans
  - 1.92-5.17% APR for variable-rate
  - 3.5-7.24% APR for fixed-rate loans
- Considers education, employment history, income and credit rating
- Automatic payment options
- Ability to temporarily pause payments for unemployment
- Refinanced over \$1.75 billion in student loans
- Career support available for customers

### MBA Loans

- Borrowers can receive Variable or Fixed Rate loans
  - Variable-rate loans starting at 3.92%
  - 6.05-6.94% APR for fixed-rate loans
- 10 and 15 year terms available
- Full deferment and interest-only payment options are available while in school
- Direct disbursement to school
- Career support available for customers



### Mortgage Loans and Refinancing

- As little as 10% down payment with flexible debt-to-income limits
- 30-Year Fixed, 15-Year Fixed or 7/1 ARM option available
- Interest only payment options available
- No additional costly restrictions for first-time home buyers
- Typical application closes in less than 21 days
- 50 or 80% Loan-to-Value options for refinancing

### Personal Loans

- Introductory fixed-rate loans starting at 0.99% for first 12 months; step up rate after 12 months with rates of 5.63-9.63%
- Multiple terms available
- Minimum loan of \$10,000 and maximum of \$35,000
- No prepayment penalty
- 0-2% origination fee
- Loans disbursed within 2 business days of SoFi receiving signed documents

# SoFi Raises \$200 mm in Series D Financing

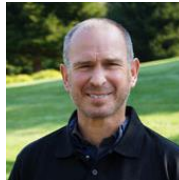
## Management Overview

**Mike Cagney**  
Co-Founder,  
Chief Executive Officer,  
Chairman



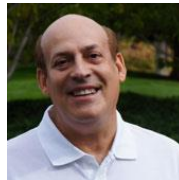
- Co-founded SoFi as the innovator for the SoFi marketplace lending model and serves as CEO and Chairman
- Co-Founder and managing member of Cabezon Investment Group, as well as Founder and previous CEO, Vice Chairman and Chief Architect of Finaplex

**Nino Fanlo**  
Chief Operating Officer,  
Chief Financial Officer



- CTO and COO with 30 years experience in financial services
- Former CEO of KKR Finance, Executive VP and Treasurer of Wells Fargo and VP at Goldman Sachs

**Rob Lavet**  
General Counsel



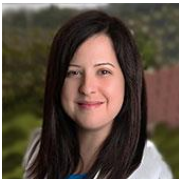
- In charge of legal affairs for the Company and its affiliated parties
- Served as General Counsel for Sallie Mae and as Principal in the Education and Litigation practice groups of Powers Pyles Sutter & Verville

**Tony Morosini**  
VP of Product  
Development



- Currently serves as the VP of Product Development and is responsible for improvements in service and technology
- Utilizes FinTech experience from prior positions at Visa, Accenture and Sapient

**Aimee Young**  
Chief Marketing Officer



- As CMO, connects with SoFi's customer base through various platforms
- Previously was VP of Corporate Marketing at AppSense



# SoFi Raises \$200 mm in Series D Financing

## Student Loan Market Opportunity

### Student Loan Statistics

#### From 2004 to 2012 <sup>(1)</sup>

The number of student borrowers increased by 70% from 23 million to 39 million

Average loan size per student increased by approximately 70% from \$15k to \$25k

Delinquency rates on student loan payments at least 90 days overdue, grew from under 10% to 17% or more

#### Currently

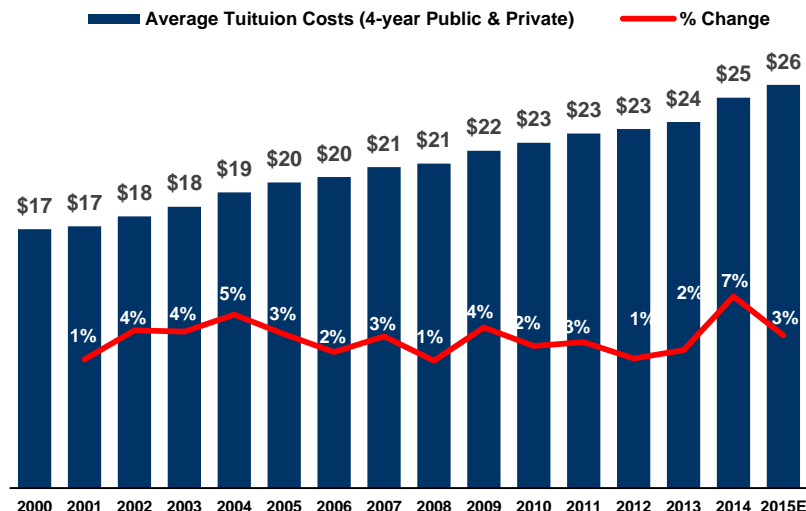
Outstanding student loans exceed \$1 tn



75% of borrowers with outstanding student loans feel that the debt has affected their decisions and capability of buying a home <sup>(3)</sup>

### Average Tuition Cost Growth for 4-Year Institutions <sup>(2)</sup>

(\$ in 000's)
















"Among the various types of household debt, student debt is unique. While balances on all other forms of household debt – including mortgages, credit cards, auto loans and home equity lines of credit – declined during and after the Great Recession, student debt has steadily risen"

– Meta Brown et al, Federal Reserve Bank of New York



# SoFi Raises \$200 mm in Series D Financing

## Selected Large Alternative Lender Financings, Ranked by Size

Date	Investor	Target	Value (\$ mm)	Transaction	Commentary
12/04/14	   		225	Financing	<ul style="list-style-type: none"> <li>AvantCredit, founded by the founders of Enova, provides installment loans and credit lines at competitive interest rates</li> <li>The Company announced the completion of a \$225 mm round of Series D funding led by Tiger Global Management and August Capital</li> </ul>
02/03/15	  	 SoFi	200	Financing	<ul style="list-style-type: none"> <li>SoFi is a marketplace lender with an emphasis in private and federal student loan refinancing</li> <li>The \$200 mm Series D financing round was led by Third Point Ventures, Wellington Management Company and Institutional Venture Partners</li> </ul>
05/02/13	 		125	Secondary Transaction	<ul style="list-style-type: none"> <li>Google and Foundation Capital purchased \$125 mm in equity from current LendingClub shareholders</li> <li>This transaction valued LendingClub at \$1.55 bn</li> </ul>
09/03/14			110	Financing	<ul style="list-style-type: none"> <li>Strategic Funding Source finances the future of small businesses utilizing advanced technology and human insight</li> <li>The Company received an initial \$35 mm investment as part of a \$110 mm line of equity financing from Pine Brook</li> </ul>
02/11/15	 		90	Financing	<ul style="list-style-type: none"> <li>Opportun is the largest financial services company specifically dedicated to providing credit to the underbanked Hispanic community</li> <li>The \$90 mm funding round was led by Fidelity Management &amp; Research Company with previous investor, Institutional Venture Partners</li> </ul>



# SoFi Raises \$200 mm in Series D Financing

## Selected Large Alternative Lender Financings, Ranked by Size (cont.)

Date	Investor	Target	Value (\$ mm)	Transaction	Commentary
03/06/14			77	Financing	<ul style="list-style-type: none"> <li>OnDeck underwrites and distributes loans to small businesses, assessing applicants based on cash flow, online sentiment and credit history</li> <li>The Company raised \$77 mm in a growth investment round led by Tiger Global Management with participation from existing investors Institutional Venture Partners, RRE Ventures, SAP Ventures, Google Ventures, First Round Capital and Industry Ventures</li> </ul>
07/23/14			75	Financing	<ul style="list-style-type: none"> <li>AvantCredit announced the completion of a \$75 mm round of Series C funding led by Tiger Global Management</li> <li>Utilizing advanced algorithms and machine-learning capabilities, the Company offers a unique and highly customized approach to the personal loan process</li> </ul>
05/04/14			70	Financing	<ul style="list-style-type: none"> <li>Prosper provides a peer-to-peer (P2P) online lending platform that connects consumer-borrowers with institutional investors and other consumer-lenders</li> <li>The Company will use the proceeds to expand the business and fuel growth, advance its technology, hire new talent, and for general corporate purposes</li> </ul>
07/16/14			65	Financing	<ul style="list-style-type: none"> <li>Funding Circle is an online marketplace where people can directly lend to small businesses in the United States and United Kingdom</li> <li>The Company raised \$65 mm in a Series D funding round led by Index Ventures with participation from existing investors, Accel Partners, Union Square Ventures and Ribbit Capital</li> </ul>
04/16/14			65	Financing	<ul style="list-style-type: none"> <li>LendingClub brings together investors and creditworthy borrowers, utilizing technology and automation to reduce the cost and complexity of traditional lending in order to offer borrowers better rates and investors better returns</li> <li>The Company raised \$65 mm from BlackRock, Sands Capital Management, T. Rowe Price and Wellington Management Company</li> </ul>

Source: Company press releases, FT Partners' proprietary transaction database.  
Note: Excludes IPOs.

# Overview of FT Partners

## Strong Domain Expertise in Alternative Lending / Financial Technology

**FT Partners has advised on the most prominent transactions in Financial Technology**

Financial Technology Partners LP  
FTP Securities LLC

*is pleased to announce its role as strategic and financial advisor to*

**F2ST  
PAY**

*in its growth financing with*

**OAK  
HC/FT**

*for total consideration of approximately*

**\$ 15,000,000**

**FINANCIAL  
TECHNOLOGY  
PARTNERS**

*The Only Investment Bank  
Focused Exclusively on Financial Technology*

Financial Technology Partners LP  
FTP Securities LLC

*is pleased to announce its exclusive role as sole strategic and financial advisor to*

**BlueTarp  
Financial**

*in its financing, including investment from*

HIGHLAND  
CAPITAL PARTNERS

longridge

TRINITY  
VENTURES

FLYBRIDGE  
FINANCIAL

*for approximately*

**\$ 15,000,000**

**FINANCIAL  
TECHNOLOGY  
PARTNERS**

*The Only Investment Bank  
Focused Exclusively on Financial Technology*

Financial Technology Partners LP  
FTP Securities LLC

*Is pleased to announce its role as advisor to*

**CIBC**

*in its strategic investment in*

**DYNEX**

*with additional participation from*

MasterCard

Bain Capital Ventures

Adams Capital Management

*for total consideration of approximately*

**\$ 70,000,000**

**FINANCIAL  
TECHNOLOGY  
PARTNERS**

*The Only Investment Bank  
Focused Exclusively on Financial Technology*

Financial Technology Partners LP  
FTP Securities LLC

*is pleased to announce its role as strategic and financial advisor to*

**TRANSFIRST**

*in its sale to*

**Vista Equity Partners**

*for total consideration of approximately*

**\$ 1,500,000,000**

**FINANCIAL  
TECHNOLOGY  
PARTNERS**

*The Only Investment Bank  
Focused Exclusively on Financial Technology*

Financial Technology Partners LP  
FTP Securities LLC

*is pleased to announce its exclusive role as sole strategic and financial advisor to*

**KUBRA**

*in its 80% majority sale to*

**HEARST corporation**

**FINANCIAL  
TECHNOLOGY  
PARTNERS**

*The Only Investment Bank  
Focused Exclusively on Financial Technology*

Financial Technology Partners LP  
FTP Securities LLC

*is pleased to announce its role as advisor to*

Google  
capital

*in its lead investment in*

Credit Karma

*with additional participation from*

TIGER  
CAPITAL PARTNERS

SIG  
SAUSWEHANN  
BANK & CO. LLC

Ribbit Capital

*for approximately*

**\$ 85,000,000**

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TECHNOLOGY  
PARTNERS**

*The Only Investment Bank  
Focused Exclusively on Financial Technology*

Financial Technology Partners LP  
FTP Securities LLC

*is pleased to announce its role as strategic and financial advisor to*

**MERCURY**

*in its cash sale to*

**vantiv**

*for total consideration of*

**\$ 1,650,000,000**

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TECHNOLOGY  
PARTNERS**

*The Only Investment Bank  
Focused Exclusively on Financial Technology*

Financial Technology Partners LP  
FTP Securities LLC

*is pleased to announce its exclusive role as sole strategic and financial advisor to*

**WebEquity  
solutions**

*in its sale to*

**Moody's**

**FINANCIAL  
TECHNOLOGY  
PARTNERS**

*The Only Investment Bank  
Focused Exclusively on Financial Technology*



# Overview of FT Partners

## Award-Winning Investment Banking Franchise Focused on Superior Client Results

*FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition*



M&A Advisor Awards

- |      |  |
|------|--|
| 2014 | <ul style="list-style-type: none"> <li>■ <b>Equity Financing Deal of the Year</b></li> <li>■ Professional Services Deal of the Year, Above \$100mm</li> </ul>  |
| 2012 | <ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ Professional Services Deal of the Year, Above \$100 mm</li> </ul>   |
| 2011 | <ul style="list-style-type: none"> <li>■ <b>Boutique Investment Bank of the Year</b></li> <li>■ Deal of the Decade</li> <li>■ <i>10 Deal of the Year Nominations Across 9 Categories</i></li> </ul>  |
| 2010 | <ul style="list-style-type: none"> <li>■ <b>Upper Middle Market Deal of the Year, Above \$500 mm</b></li> <li>■ IT Services Deal of the Year, Below \$500mm</li> <li>■ Cross-Border Deal of the Year, Below \$500mm</li> </ul>   |
| 2007 | <ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ Business to Business Services Deal of the Year</li> <li>■ Computer and Information Technology Deal of the Year, Above \$100mm</li> <li>■ Financial Services Deal of the Year, Above \$100mm</li> </ul> |



- |           |   |
|-----------|---|
| 2006-2008 | <ul style="list-style-type: none"> <li>■ Steve McLaughlin consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology</li> </ul> |
|-----------|---|



Middle Market Financing Awards

- |      |  |
|------|--|
| 2008 | <ul style="list-style-type: none"> <li>■ <b>Equity Financing Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ <b>Information Technology Deal of the Year</b></li> <li>■ <b>Financial Services Deal of the Year</b></li> </ul> |
| 2006 | <ul style="list-style-type: none"> <li>■ <b>Financing Professional of the Year – Steve McLaughlin</b></li> <li>■ <i>Financing Deal of the Year - Equity</i></li> <li>■ <i>Financing Deal of the Year - Debt</i></li> </ul>           |

# Overview of FT Partners

Relevant FT Partners' Research: LendingClub IPO – (click to view)

January 23, 2015

## Financial Technology Partners LP FTP Securities LLC

Transaction Profile:  
Lending Club IPO: Post Quiet Period Review



NYSE: LC

Courtesy of:



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- Includes an in-depth overview of LendingClub and its recent IPO
- Provides a summary of analyst estimates / opinions
- Highlights numerous other key financing and M&A transactions in the Alternative Lending Space

*FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 13 years of exclusive focus on Financial Technology.*

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