

LENDINGTREE, INC.

FORM 8-K (Current report filing)

Filed 06/26/17 for the Period Ending 06/26/17

Address	11115 RUSHMORE DRIVE CHARLOTTE, NC 28277
Telephone	704-943-8942
CIK	0001434621
Symbol	TREE
SIC Code	6163 - Loan Brokers
Industry	Consumer Lending
Sector	Financials
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 20, 2017

LendingTree, Inc.

(Exact name of registrant as specified in charter)

Delaware

(State or other jurisdiction
of incorporation)

001-34063

(Commission
File Number)

26-2414818

(IRS Employer
Identification No.)

11115 Rushmore Drive, Charlotte, NC

(Address of principal executive offices)

28277

(Zip Code)

Registrant's telephone number, including area code: **(704) 541-5351**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). 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.

Item 8.01. Other Information***Acquisition of MagnifyMoney***

On June 20, 2017, LendingTree, LLC (“Buyer”), a wholly-owned subsidiary of the Company, acquired all of the membership interests of Camino Del Avion (Delaware), LLC, a Delaware limited liability company, which does business under the name MagnifyMoney (“MagnifyMoney”), pursuant to a Membership Interest Purchase Agreement (the “Purchase Agreement”), dated June 20, 2017, by and among Buyer, MagnifyMoney, its sole member and certain principals of the sole member. This purchase was completed in the ordinary course of the Company’s business. MagnifyMoney is a leading consumer-facing media property that offers unbiased editorial content, expert commentary, tools and resources to help consumers compare financial products and make informed financial decisions.

Under the terms of the Purchase Agreement, Buyer paid \$29.5 million of cash consideration for all of the membership interests of MagnifyMoney at the closing of the transaction, subject to certain adjustments. Buyer deposited \$2.95 million of such purchase price into an escrow account to secure the indemnification obligations of MagnifyMoney pursuant to the Purchase Agreement. The sole member and its principals agreed to indemnify on a joint and several basis the indemnification obligations of MagnifyMoney under the Purchase Agreement, subject to the terms and limitations thereof. Buyer also has an option to acquire a foreign affiliate of one of the principals for a nominal purchase price any time during the three years after the closing.

Pursuant to the Purchase Agreement, LendingTree, Inc. (the “Company”) issued two key employees of MagnifyMoney restricted stock unit awards for a total of 38,468 shares of Company common stock (\$6.7 million value at June 20, 2017), and may issue a further restricted stock unit award for 19,234 shares (\$3.3 million value at June 20, 2017) to a third key employee of the foreign affiliate should he become employed by Buyer or its subsidiaries following Buyer’s exercise of the option to acquire the foreign affiliate. All of these restricted stock units will vest, if at all, on the basis of performance conditions following the acquisition.

On June 20, 2017, the Company issued a press release announcing the acquisition of MagnifyMoney. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits .

Exhibit No.	Exhibit Description
99.1	Press Release, dated June 20, 2017.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 26, 2017

LENDINGTREE, INC.

By: /s/ Katharine F. Pierce

Katharine F. Pierce

Senior Vice President, General Counsel & Corporate Secretary

EXHIBIT INDEX

Exhibit No.	Exhibit Description
99.1	Press Release, dated June 20, 2017.



June 20, 2017

LendingTree Acquires MagnifyMoney

CHARLOTTE, N.C., June 20, 2017 -- LendingTree, Inc. (NASDAQ: TREE) announced today that its subsidiary, LendingTree, LLC has acquired the company that operates MagnifyMoney.com, a leading consumer-facing media property that offers unbiased editorial content, expert commentary, tools and resources to help consumers compare financial products and make informed financial decisions.

"The acquisition of MagnifyMoney is a continuation of LendingTree's disciplined acquisition strategy and accelerates our product and marketing channel diversification efforts," said Doug Lebda, founder and CEO of LendingTree. "The MagnifyMoney team has built a successful content platform by generating organic search traffic through unbiased editorial content, a technique that complements LendingTree's core business and value proposition while engaging more consumers. The successful integration we've achieved with the CompareCards acquisition gives us increased confidence in further expanding our portfolio with the addition of MagnifyMoney and its seasoned team."

"We are incredibly excited to join LendingTree," said Nick Clements, co-founder of MagnifyMoney and former managing director at Barclaycard UK. "Given LendingTree's emphasis on consumer empowerment and transparency, we feel confident that this is the right platform for MagnifyMoney and its editorial team to engage more consumers on a broader set of financial products."

The acquisition purchase has a possible total consideration of \$39.5 million, which consists of \$29.5 million in cash at closing, and contingent consideration payments of up to \$10 million. The contingent consideration shall be payable in the form of restricted stock unit awards; two of such restricted stock unit awards are described in further detail below under the heading "Inducement Awards".

Inducement Awards:

In connection with the acquisition of MagnifyMoney, on June 20, 2017, the company granted restricted stock unit awards to two key employees of MagnifyMoney under its 2017 Inducement Grant Plan as a material inducement to entering into employment with the company. Nick Clements received 19,234 restricted stock units and Brian Karimzad received 19,234 restricted stock units. These restricted stock units will vest, if at all, on the basis of performance conditions related to the performance of the company's combined editorial content business following the acquisition. The awards provide for accelerated vesting in the event of certain events. The awards were approved in accordance with NASDAQ Listing Rule 5635(c)(4), which requires a public announcement of these awards.

About MagnifyMoney:

MagnifyMoney was launched in 2014 by Nick Clements and Brian Karimzad. Nick has nearly 15 years of experience working at top banking institutions, including Citigroup and Barclaycard, where he ran the UK consumer credit card business. Brian has also worked in banking and consumer marketing for 15 years. MagnifyMoney.com offers consumers a powerful resource with its personalized, side-by-side comparisons of banking and credit-based products in a free, unbiased and easy-to-navigate interface. With its proprietary Magnify Transparency Score, banking and credit card products are graded based on simplicity and fee structure, making it simple for consumers to quickly evaluate which products have the least amount of fine print and most consumer-friendly terms. MagnifyMoney is headquartered in New York, NY.

About LendingTree, Inc.

LendingTree, Inc. (NASDAQ: TREE) operates the nation's leading online loan marketplace and provides consumers with an array of online tools and information to help them find the best loans for their needs. LendingTree's online marketplace connects consumers with multiple lenders that compete for their business, empowering consumers as they comparison-shop across a full suite of loans and credit-based offerings. Since its inception, LendingTree has facilitated more than 65 million loan

requests. LendingTree provides access to its network of over 500 lenders offering home loans, home equity loans/lines of credit, reverse mortgages, personal loans, auto loans, small business loans, credit cards, student loans and more.

LendingTree, Inc. is headquartered in Charlotte, NC and maintains operations solely in the United States. For more information, please visit www.lendingtree.com.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

The matters contained in the discussion above may be considered to be "forward-looking statements" within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, as amended. Those statements include statements regarding the intent, belief or current expectations or anticipations of the Company and members of its management team regarding the expected benefits from the acquisition. Factors currently known to management that could cause actual results to differ materially from those in forward-looking statements include the following: the retention of key employees of MagnifyMoney and the ability of the Company to successfully integrate MagnifyMoney to achieve expected benefits; adverse conditions in the economy affecting financial institutions and their willingness or interest to advertise on our or MagnifyMoney's websites or mobile applications; increased competition and its effect on our or MagnifyMoney's website traffic, click-through rates, advertising rates, margins, and market share ability to provide competitive service to financial institutions and to consumers using MagnifyMoney's and the Company's online offerings and other platforms; ability to maintain brand recognition for both the Company and MagnifyMoney and to effectively leverage the LendingTree brand with the MagnifyMoney brand; ability to develop new products and services and enhance existing ones; competition; the potential effects of existing and new laws, rules or regulations; failure to maintain the integrity of systems and infrastructure through integration; and failure to adequately protect intellectual property rights or allegations of infringement of intellectual property rights. These and additional factors to be considered are set forth under "Risk Factors" in the Company's Annual Report on Form 10-K for the period ended December 31, 2016, in its quarterly report on Form 10-Q for the period ended March 31, 2017 and in its other filings with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results or expectations.