



Nation's Top Online Small Business Lending Platforms Organize to Advance Industry Standards

OnDeck, Kabbage and CAN Capital join forces to advance best practices and development of a new model disclosure to empower small businesses when assessing and comparing loan options.

WASHINGTON, May 5, 2016 /PRNewswire/ -- The nation's three largest online small business lending platforms – OnDeck® (NYSE: ONDK), Kabbage, and CAN Capital – today announced the formation of the "**Innovative Lending Platform Association**," which will focus on advancing small business online lending education, advocacy, and best practices. To promote common disclosure verbiage and standardization, the new group's first priority, launched in partnership with the Association for Enterprise Opportunity (AEO), the leading advocate for microbusiness in the United States, will be an initiative to create a model small business lending disclosure called the SMART (*Straightforward Metrics Around Rate and Total Cost*) Box. The SMART Box will present a small business with a chart of standardized pricing comparison tools and explanations, including various total dollar cost and annual percentage rate metrics that enable a comprehensive pricing comparison of loans of equivalent duration.

The formation of the Innovative Lending Platform Association and the launch of the SMART Box initiative follows an in-depth analysis of the small business marketplace that began in 2015 and is informed by small business organization survey data, including [recent findings from an industry study](#) underscoring small business customer preferences and priorities. Starting today, the Association is open to all small business lenders and stakeholders to engage on the SMART Box initiative via www.innovativelending.org.

The SMART Box initiative will be open to industry stakeholders for engagement to ensure that the new model disclosure is comprehensive, well-informed, and truly empowers small business borrowers to make an apples to apples comparison for different lending options. The AEO, with the mission of creating economic opportunity for underserved entrepreneurs, will serve as the engagement facilitator, and process feedback received from interested stakeholders.

Together the three founding companies of the Innovative Lending Platform Association have provided access to more than \$12 billion dollars in working capital to small businesses to help drive growth and hiring.

Beginning in June 2016, the Innovative Lending Platform Association will commence a 90-day "national engagement period" in which it will seek feedback on the SMART Box initiative from interested lenders, trade associations, policymakers, and non-profit organizations. In September 2016, the Innovative Lending Platform Association will encourage those interested in promoting the responsible development of the small business lending industry to voluntarily adopt or support the model disclosure.

Founding Member Quotes

"OnDeck is one hundred percent focused on responsibly serving small businesses and we are proud to join other industry leaders in this groundbreaking initiative to establish transparency best-practices that benefit the marketplace," said Noah Breslow, chief executive officer, OnDeck. "In the days ahead, we look forward to working with other lenders, trade associations, policymakers, and non-profit organizations to create a national model for small business lending disclosure."

"As our industry rapidly evolves, we believe it is critical to provide the tools and transparency businesses need to make informed borrowing decisions," said Kathryn Petralia, co-founder and COO of Kabbage. "We founded Kabbage based on the fundamental premise that businesses can use the power of their own data to grow in ways never before thought possible. We are thrilled to take our commitment to SMBs to the next level by joining this group of fintech leaders to launch a clear methodology for how fees are calculated and communicated to borrowers. We look forward to continuing this open dialogue with our peers, customers, policy makers and regulators to support small business growth in the United States."

"Ever since our company was started by a small business owner 18 years ago, CAN Capital has believed that the key to the success of our industry rests on the success of the small businesses we serve," said Daniel DeMeo, chief executive officer, CAN Capital. "This means providing clear disclosures on pricing, ensuring products are represented accurately and providing the highest level of customer service. We are excited to work with our fellow leaders in alternative small business finance and other stakeholders in the sector to publish best practices that can help support the small business owners that are the backbone of America's economy."

Partner Quote

"The SMART Box Initiative could be a game changer in driving small business ownership through greater inclusion to capital access," said Connie Evans, AEO's President and CEO. "We are proud to be part of a collective cross-sector effort to bring creative solutions to the complex issue of improving capital access to Main Street. It should go far in helping business owners, particularly those in underserved communities, navigate the new frontier of lending options."

The Association has begun engaging with other organizations that represent a broad set of small business capital providers interested in advancing standards. To engage with the Innovative Lending Platform Association in the development of the SMART Box initiative, please go to: www.innovativelending.org.

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About the Innovative Lending Platform Association

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About OnDeck

OnDeck (NYSE: ONDK) is the leader in online small business lending. Since 2007, the company has powered Main Street's growth through advanced lending technology and a constant dedication to customer service. OnDeck's proprietary credit scoring system – the OnDeck Score® – leverages advanced analytics, enabling OnDeck to make real-time lending decisions and deliver capital to small businesses in as little as 24 hours. OnDeck offers business owners a complete financing solution, including the online lending industry's widest range of term loans and lines of credit. To date, the company has deployed over \$4 billion to more than 50,000 customers in 700 different industries across the United States, Canada and Australia. OnDeck has an A+ rating with the Better Business Bureau and operates the educational small business financing website www.businessloans.com. For more information, please visit www.ondeck.com.

About Kabbage

Kabbage Inc., headquartered in Atlanta, has pioneered the first financial services data and technology platform to provide fully automated funding to small businesses in minutes. Kabbage leverages data generated through business activity such as accounting data, online sales, shipping and dozens of other sources to understand performance and deliver fast, flexible funding in real time. Kabbage is funded and backed by Reverence Capital Partners, SoftBank Capital, Thomvest Ventures, Mohr Davidow Ventures, BlueRun Ventures, the UPS Strategic Enterprise Fund, ING, Santander InnoVentures, Scotiabank, TCW/Craton and additional investors, including Ron Conway's SV Angel, David Bonderman, founder of TPG Capital, and Warren Stephens, CEO of Stephen Inc. All Kabbage and Karrot U.S.-based loans are made by Celtic Bank, a Utah-Chartered Industrial Bank, Member FDIC. For more information, please visit <http://www.kabbage.com> and follow the company on [Facebook](#) and [Twitter](#).

About CAN Capital

CAN Capital, Inc., established in 1998, is the pioneer and market share leader in alternative small business finance, having provided access to over \$6 billion in capital for small businesses in a wide range of locations and different business types.

As a technology-powered financial services provider, CAN Capital uses innovative and proprietary risk models combined with daily performance data to evaluate business performance and facilitate access to capital for entrepreneurs in a fast and efficient way.

CAN Capital, an Inc. 5000 fastest-growing company, makes capital available to businesses through business loans made by WebBank, a Utah chartered Industrial Bank, member FDIC,

and through CAN Capital's subsidiaries: Merchant Cash Advances by CAN Capital Merchant Services, Inc., and business loans by CAN Capital Asset Servicing, Inc. For more information, please visit www.cancapital.com and follow the company on [Facebook](#), [Linkedin](#) and [Twitter](#).

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