



CREDIBLE LABS INC.
(ASX: CRD)

ASX ANNOUNCEMENT
29 May 2018

CREDIBLE SIGNS STUDENT LOAN PARTNERSHIP IN EMPLOYEE BENEFITS CHANNEL CONFIRMS MORTGAGE MARKETPLACE PILOT ON TRACK FOR LAUNCH IN 2018

Credible Labs Inc. (“**Credible**” or the “**Company**”) (ASX: CRD), the San Francisco based technology company that operates a U.S. consumer finance marketplace, is pleased to provide the following Business Update on its business activities.

HIGHLIGHTS

- **Credible has signed a partnership with Fidelity Investments, furthering the reach of Credible’s student loan refinancing platform in new employee benefits channel**
- **Credible sees promise in the employee benefits channel as 45% of working professionals with outstanding student debt say that assistance with student loan repayment is the single most compelling employee benefit¹**
- **Credible confirms its Mortgage marketplace pilot remains on track for launch in 2018**
- **Credible has signed agreements with four (4) of the top 10 U.S. mortgage lenders for its Mortgage marketplace**
- **Significant traction in Durham, North Carolina office with 11 new team members added to support launch of Mortgage marketplace, and the permanent relocation of two (2) members of the Credible Executive team to lead the North Carolina operations**

PARTNERSHIP WITH FIDELITY INVESTMENTS

Credible is pleased to announce that it signed an employee benefits channel partnership with Fidelity Investments, the fourth (4th) largest U.S. asset manager, helping more than 27 million people with investing and 23,000 businesses with managing their benefits programs.

Fidelity Investments will provide access to Credible’s student loan refinancing platform through its Student Debt Tool as part of Fidelity Investments’ Student Debt Employer Contribution program. Through this relationship, employees of Fidelity Investments clients (who currently use the Student Debt Employer Contribution solution) will have access to Credible’s student loan refinancing marketplace to receive actual pre-qualified rates from more than ten (10) refinancing lenders without affecting their credit score.

¹ Oliver Wyman – *The Student Loan Repayment Benefit Opportunities to Serve a Pressing Financial Need*



Fidelity Investments has announced a significant response to its Student Debt Employer Contribution benefit, with 25 employers making plans to offer the Fidelity Investments program and nearly 9,000 of their eligible employees expected to be enrolled in the program by the end of June.

For more information please refer to Fidelity Investments' website (www.fidelity.com/about-fidelity/employer-services/fidelitys-student-debt-employer-contribution-program)

EMPLOYEE BENEFITS DISTRIBUTION CHANNEL

Outstanding student loan debt in the U.S. stood at US\$1.41 trillion as at 31 March 2018². Among working professionals in the U.S. with student debt, 90%¹ say that having a student loan repayment benefit would positively impact their decision to accept a job offer, to recommend an employer or to want to stay at their current employer, and 45%¹ say that assistance with student loan repayment is the single most compelling employee benefit. As such, providing student loan assistance is a powerful tool for employers seeking to retain current employees and attract new employees, particularly millennials, who currently represent the largest generation in the workforce.

Employee benefits solutions providers, in response to this, are actively integrating student loan management programs into their benefits offerings, representing a potential new channel for Credible's student loan refinancing solution.

As the leading consumer finance marketplace for millennials, Credible believes it is well positioned to be the preferred partner to employee benefits providers for several reasons:

- **Breadth of underwriting coverage:** Employers seek to partner with benefits providers whose solutions can scale to address the greatest proportion of their employees. As the first and only student loan refinancing marketplace, Credible's platform offers employees a greater probability of receiving a suitable refinancing offer due to the breadth of its lender panel, compared to what any single lender can provide
- **Privacy and security:** Employers are focused on safeguarding the privacy of their employees' personal data. Credible's proprietary pre-qualification engine is unique in the market and allows Credible to provide accurate personalised rates (approximately 95% accuracy) without sharing borrowers' data with lenders. Credible only shares data with lenders once it receives the express and full authorisation from a borrower
- **Concierge style support:** Employers seek to partner with companies offering solutions that are easy-to-use and provide comprehensive support to their employees. Credible's intuitive user interface allows borrowers to easily submit loan applications and navigate financing options, evidenced by approximately 70% of borrowers self-serving through the entire loan application process and a market leading consumer satisfaction rating on TrustPilot of 9.5/10 from over 1,200 individual reviews. While most borrowers self-serve through Credible's comprehensive loan application process, the company also offers borrowers support through phone, text, chat and email

² Federal Reserve Bank of New York, Quarterly Report on Household Debt and Credit, Q1 2018



In addition, Credible sees potential support over the longer term in this channel from the recent introduction of the *Employer Participation in Repayment Act of 2017*³ to Congress that, if passed, has the potential to provide U.S. companies with a tax break for providing employees assistance with repayment of student debt while also saving employees from being taxed on the contribution.

MORTGAGE MARKETPLACE ON-TRACK

As communicated in its 26 February 2018 and subsequent ASX announcements, Credible is taking steps towards leveraging its core technology platform to expand its offering into the residential mortgage vertical. Mortgages represent the single largest consumer debt category in the U.S., with new origination volumes totaling approximately \$1.7 trillion for calendar year 2017⁴ and is an area where new technology still has significant headroom for meaningful impact, creating the opportunity for Credible to deliver a differentiated experience. Credible's mortgage marketplace will address the two factors that most directly determine consumer selection of a mortgage lender: demand for competitive pricing (for which a marketplace is well suited) and process simplicity (which the Credible platform will enable).

Credible is pleased to announce that:

- The 2018 calendar year launch of Credible's residential Mortgage marketplace pilot remains on track
- Since its last Business Update on 17 April 2018, Credible has signed agreements with an additional three (3) mortgage lenders, bringing the total to four (4), with all lending partners being top 10 mortgage lenders⁵ in the U.S. by origination volume. These lenders are approved to conduct business on the Credible Mortgage marketplace and to acquire mortgage borrowers through Credible
- The Company continues to make progress in obtaining state mortgage broking licenses and is now licensed to conduct business in 20 states, with the addition of North Carolina and Vermont since the last Business Update. By the time of the launch of its Mortgage marketplace, Credible anticipates being licensed in states that represent approximately 75%⁶ of the mortgage market
- It has experienced solid traction in scaling its new Durham, North Carolina office. In preparation for launching its Mortgage marketplace, the Company has added 11 new staff members, including a Senior Manager, Mortgage Operations and two Senior Loan Officers. The traction to date, reinforces Credible's view that North Carolina provides a critical mass of talent from traditional banking and emerging financial technology companies
- In addition, the Company announces the permanent relocation of two (2) members of its Executive team, David Lewis – Vice President of Partnerships and Jereme Albin – Vice President of Marketplace Operations, to lead its North Carolina office, reflecting Credible's strong commitment to North Carolina and ensuring deep cross-office collaboration

-ENDS

³ S.796 – Employer Participation in Repayment Act of 2017

⁴ Mortgage Brokers Association – includes both purchase and refinance originations

⁵ As calculated by iEmergent and based on Home Mortgage Disclosure Act Data published by the Federal Financial Institutions Examination Counsel

⁶ Based on data from the Nationwide Multistate Licensing System (NMLS)



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ABOUT CREDIBLE

Credible is a U.S. company based in San Francisco which operates a consumer finance Marketplace that helps consumers save money and make better financial decisions. Credible has developed a proprietary technology platform that is integrated with credit bureaus and financial institutions. Credible has developed a differentiated, and personalised user experience that enables consumers to compare instant, accurate pre-qualified rates from multiple financial institutions, select a product and financial institution of choice, and then receive a binding offer for the selected student loan product. Credible also offers consumers the ability to access instant, accurate pre-qualified rates for personal loans and compare credit card products.

For more information, please visit: www.credible.com