

The Fractional Marketplace

Funding Circle was created with a big idea: To revolutionize the outdated banking system and secure a better deal for everyone.

Funding Circle in the U.S.

What makes us different? Our roots are in small business. Our U.S. co-founders started Funding Circle because they were small business owners themselves; they had experienced first-hand how hard it is to access finance, even when you have a successful business that's well along its way. After opening their 96th loan rejection letter, they realized something was wrong. The traditional bank loan system was broken. So, they set out to build a better solution for American small business owners.

Small businesses are core to America's economic competitiveness¹

- Small businesses are core to America's middle class and are part of the fabric of Main Streets across our country.
- Small businesses create two out of every three net new jobs.
- Small businesses employ half of the private sector workforce – about 120 million people.

SMALL BUSINESS SPOTLIGHT: Pawsh Place Veterinary Care (Vacaville, CA)



“I needed to find a lender that actually believed in my ability to be a fruitful entrepreneur...now business is booming. My practice is growing 15 percent every month.”

– Dr. Celina Hatt

Access small business asset class

Grow attractive coupons and potential returns

Protect income generation and monthly cash flows

Give community impact

Trust complete transparency

Funding Circle² is one of the leading global marketplaces for small business loans

Our marketplace provides accredited investors access to an alternative fixed income investment:

About Funding Circle

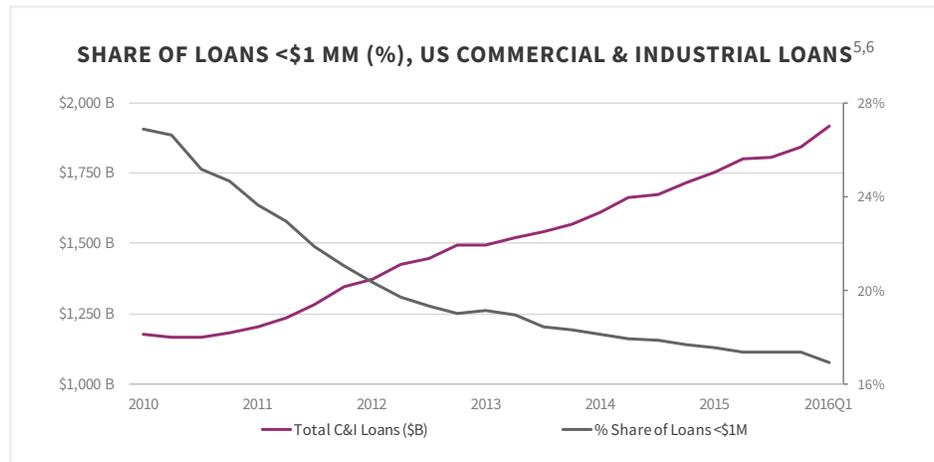
- \$3 Billion+ in originations globally since inception
- \$373 Million in equity backing from investors including DST Global, Accel Partners, Temasek, Baillie Gifford, and a fund managed by Blackrock
- Loans made to established, creditworthy US small businesses who on average have been in business for 10+ years

Notes³ characteristics

- Attractive coupons from 4.99% - 27.79% with offerings diversified across risk band, term, industry and geography
- Monthly cash flows through borrower repayments
- Loans are secured through both business assets (UCC lien) and a Personal Guarantee

Many small businesses lack access to capital

Due largely to the cost of increased capital requirements and intensified regulatory scrutiny, banks have shifted away from offering business loans under \$1 million in size⁴.



Underwriting Process & Criteria

Every business loan that is listed on the marketplace has passed our proprietary credit assessment process. Every business is established, creditworthy and has an operating history of at least two years⁷.

OUR 3-STAGE CREDIT ASSESSMENT PROCESS

Stage 1:

Initial criteria screen

- Minimum time in operation (generating revenue): 24 months
- No bankruptcies or judgments: Business has not filed bankruptcy within the last 7 years and has no significant unsatisfied judgments

Stage 2:

Does it pass our credit model?

Funding Circle USA's proprietary credit model analyzes hundreds of variables, including historical company performance, credit history and existing loans and debts.

Stage 3:

Underwriter assessment

A dedicated small business underwriter may review applications that reach this stage and decide whether to list the loan on the marketplace.

Build a diversified portfolio

Portfolio composition

Ranges listed on the right represent the 20th-80th percentile values of each loan metric across the entire marketplace portfolio⁸.

Size of loan (20-80%): \$50,000 - \$200,000

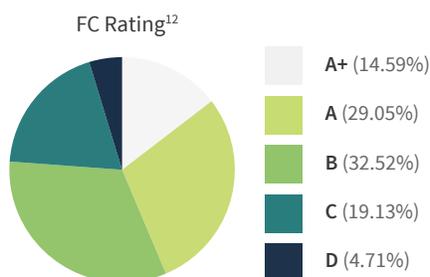
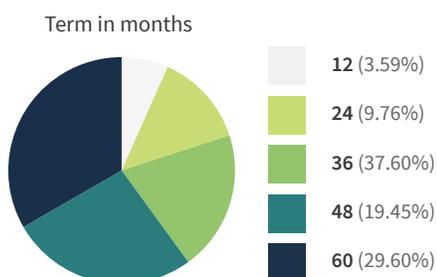
Age of Business (20-80%): 5 - 16 years

Geographic location: 49 states

Key business metrics

Ranges listed below represent the 20th-80th percentile values of each business metric per corresponding FC rating.⁹

	A+	A	B	C	D
Gross Revenue 2014	\$0.41 - 2.77M	\$0.42 - 2.44M	\$0.35 - 1.94M	\$0.31 - 1.78M	\$0.23 - 1.41M
EBITDA 2014	\$0.03 - 0.25M	\$0.03 - 0.20M	\$0.02 - 0.17M	\$0.02 - 0.14M	\$0.02 - 0.11M
DSCR ¹⁰	0.79x - 2.08x	0.85x - 1.94x	0.79x - 1.66x	0.75x - 1.54x	0.68x - 1.47x
FICO ¹¹	697 - 779	675 - 758	665 - 737	654 - 720	640 - 699



Credit information of a borrower may be inaccurate or may not accurately reflect the borrower's creditworthiness. Any such inaccuracies may be manifested in payment defaults on the borrower loans. Credit and FICO scores may be based on outdated, incomplete or inaccurate credit reporting date.

Investing on the marketplace

The Funding Circle Marketplace

Required minimum investment	\$250,000
Available assets	Notes of all FC Ratings and maturities
Minimum Note size	\$500
Servicing fee charged to investor on loans	0.083% per month ¹³
Supported account types	Institutional, individual accounts and IRAs

1) Browse & select investments

Investors who wish to actively select individual portfolio investments can participate via our online marketplace. Here, investors browse and purchase Notes issued by Funding Circle Notes Program.

2) Enroll in automated investing

Investors can set their desired investment criteria for Notes and automatically build their portfolios. To learn more, contact the Funding Circle Securities team.

Investments via traditional or Roth IRAs are welcome

Funding Circle USA welcomes investments via traditional or Roth IRAs. To learn more about how to invest with a tax-advantaged account, please contact the Funding Circle Securities team.

Risks and Disclosures

Funding Circle Securities, LLC (a wholly owned subsidiary of Funding Circle USA, Inc.) acts as placement agent for Funding Circle Notes Program, LLC. Funding Circle Notes Program, LLC is a special purpose vehicle that issues notes on loans originated by Funding Circle Marketplace, LLC, a wholly owned subsidiary of Funding Circle USA, Inc.

An investment in the Notes is speculative and involves a high degree of risk. Investors must be prepared and able to bear the economic risk of their investment for an indefinite period of time and be able to withstand a total loss of their investment. In making an investment decision, prospective investors must rely on their own examination of the company and the terms of the Notes, including the merits and risks involved. Notes have not been recommended or approved by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. The Notes have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or any state securities laws or the laws of any foreign jurisdiction, nor is any such registration contemplated. In addition, Funding Circle is not, and is not expected to be, registered as an investment company under the Investment Company Act of 1940, as amended. Notes are being offered and sold under the exemption provided by section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder and exemptions of similar import in the laws of the states where the offering will be made. Notes may be offered or sold only to accredited investors (as defined in rule 501 of Regulation D under the Securities Act). Purchasers of the Notes will be required to make certain acknowledgments, representations and agreements.

It will not be possible for a purchaser or transferee of the Notes to sell or otherwise transfer the Notes unless they are registered under the Securities Act or exemptions from such registration and from

START THE CONVERSATION

If you have additional questions while browsing the marketplace, the investor services team is here to help.

Simply call us at (855) 849-1940 between 8:00am and 6:00pm PT or email us at: investor.relations@fc-securities.com.

any other applicable securities law registration requirements are available. Funding Circle is offering the Notes in a transaction not involving any public offering in the United States within the meaning of the Securities Act and any Notes purchased by you pursuant to this offering will not have been registered under the Securities Act. It will not be possible for you or any transferee of the Notes to pledge, sell or otherwise transfer the Notes except with Funding Circle's prior written consent and except (a) pursuant to Rule 144 under the Securities Act (if available), (b) in compliance with Rule 144A under the Securities Act (if available), (c) in compliance with Regulation S under the Securities Act (if available), or (d) pursuant to another exemption from registration under the Securities Act or pursuant to an effective registration statement, and ii in each of the cases (a) through (d) above in accordance with the applicable securities laws of any state in the United States and of any applicable foreign jurisdiction. This investment may not be a permissible or lawful investment for certain regulated entities such as banks, insurance companies and their affiliates. Such organizations should consult with their legal advisers before investing. Such persons are responsible for determining the permissibility of any investment by them in the Notes.

No communication contained herein should be construed as a recommendation for any security offering. This website provides general and preliminary information about securities offered through Funding Circle Securities and is intended for initial reference purposes only. It is not a summary or compilation of all applicable information and is not complete. This website does not constitute an offer to sell or buy any securities by Funding Circle Securities. There shall be no offer or sale of any securities without the delivery of the Offering Materials. This information contained herein is qualified by and subject to more detailed information in the Offering Materials.

(1)(4) Mills, Karen G., and McCarthy, Brayden. "The State of Small Business Lending: Credit Access During the Recovery and How Technology May Change the Game." Harvard Business School Working Paper, No. 15-004, July 2014.

(2) "Funding Circle" refers to Funding Circle Holdings, Ltd, Funding Circle USA, Inc. and all of their affiliated entities. US investors will only have exposure to the US loan book.

(3) "Notes" are issued by Funding Circle Notes Program, LLC ("Funding Circle Notes Program") and are promissory notes that are dependent for payment on payments that Funding Circle Notes Program receives on business loans originated by an affiliate of Funding Circle Notes Program.

(5) FDIC: Loans to Small Businesses and Farms, FDIC-Insured Institutions, 1995-2016.

(6) Department of Commerce. Bureau of Economic Analysis. GDP Press.

(7) Businesses have been in operation for a minimum of two years (with the exception of franchisee startups with a franchisor guarantee), have generated revenue in each of the last two calendar years and have met Funding Circle USA's minimum credit criteria.

(8) Marketplace portfolio includes all loans originated by Funding Circle USA from 3/11/2014 to 3/31/2017 except for loans made to new franchise borrowers (those borrowers with less than 2 years of operational history) unless such borrower has provided a corporate franchisor guarantee. Funding Circle USA no longer offers loans to a business with less than two years of operational history unless the business is a franchisee and provides a corporate franchisor guarantee. The FC Rating D was launched in June 2015.

(9) 20th-80th percentile ranges are listed for each value to exclude outliers on the high and low ends of the spectrum.

(10) Debt service coverage ratio (DSCR) is a ratio that describes the amount of cash flow available to meet annual interest and principal payments on debt.

(11) FICO score represents the FICO score of one guarantor per each loan originated by Funding Circle USA as of the date the guarantor applied for a Funding Circle USA loan on behalf of the business; loans may have more than one guarantor.

(12) The FC Ratings do not constitute a recommendation by Funding Circle USA or Funding Circle Securities, LLC and do not constitute a representation as to the amount of payment an investor will actually receive, or the likelihood of payment defaults occurring on any particular Note or loan. There can be no assurance as to the adequacy of the guarantees and/or collateral provided for any loan corresponding to a series of Notes. For a complete summary of risks associated with investing in Notes, please refer to the offering materials of Funding Circle Notes Program (the "Offering Materials"). FC Ratings do not correspond or relate to similar ratings or classifications of Standard & Poor's, Moody's, or any other ratings agency.

(13) The servicing fee is calculated as a percentage of the outstanding principal amount of the loan prior to applying the current payment. For additional information, please refer to the Offering Materials of Funding Circle Notes Program.