

The Ins and Outs of Online Lending

Kathryn Petralia

Co-founder & COO, Kabbage Inc.



Meet Our Speaker



Kathryn Petralia Co-Founder & COO, Kabbage Inc.

- Co-founded Kabbage Inc in 2009
- Spent 20 years of work focused on credit, payments and ecommerce
- Kathryn's favorite small business is Dude Wipes, a company that took a simple product and, through clever marketing, made being clean cool.





The status of lending today





Current lending process

- Long, cumbersome process
- Paperwork-intensive
- Requires collateral
- Overemphasizes FICO score
- Manual Process
- Legacy Technology



Traditional lenders need technology to leverage readily available data, interpret it instantly and gain a full understanding of each customer.

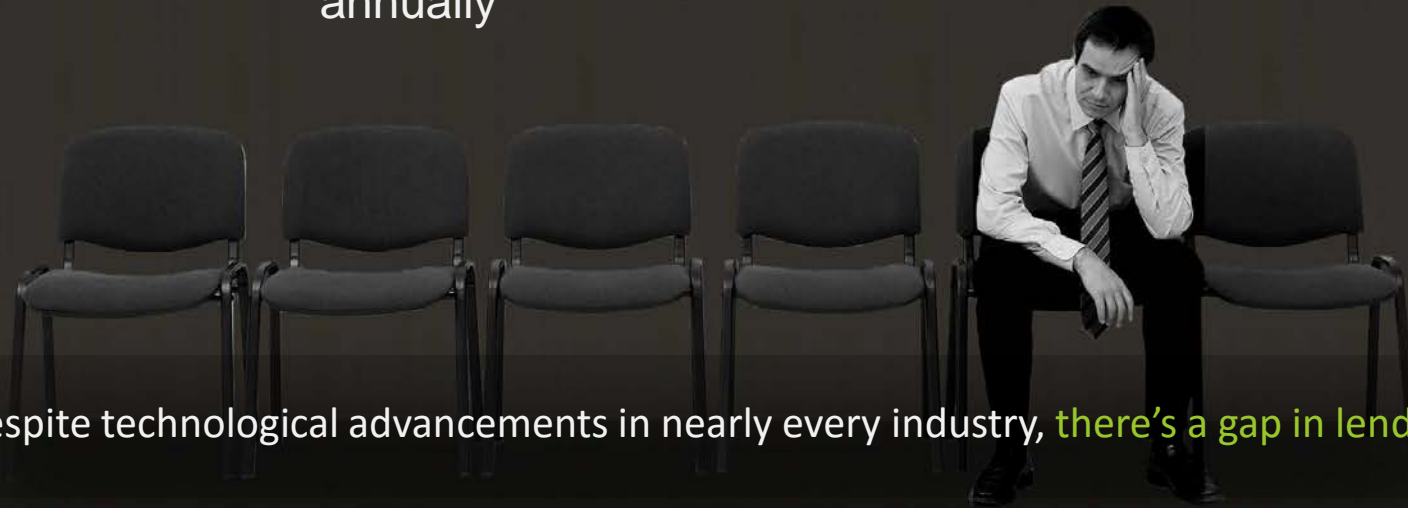


40%

of all small business
owners seek funding
annually

43%

won't get the funds
they need



Despite technological advancements in nearly every industry, **there's a gap in lending.**



Small Business Lending Opportunity

28 MM

In the U.S.

75%

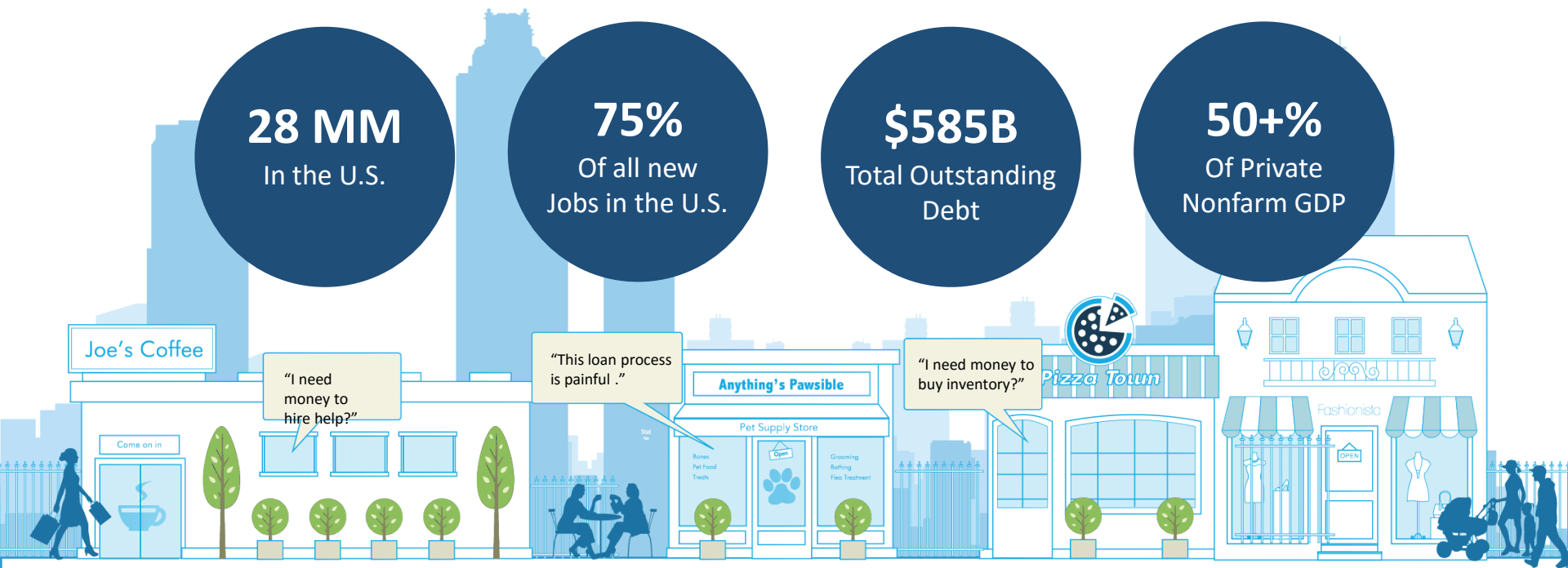
Of all new
Jobs in the U.S.

\$585B

Total Outstanding
Debt

50+%

Of Private
Nonfarm GDP



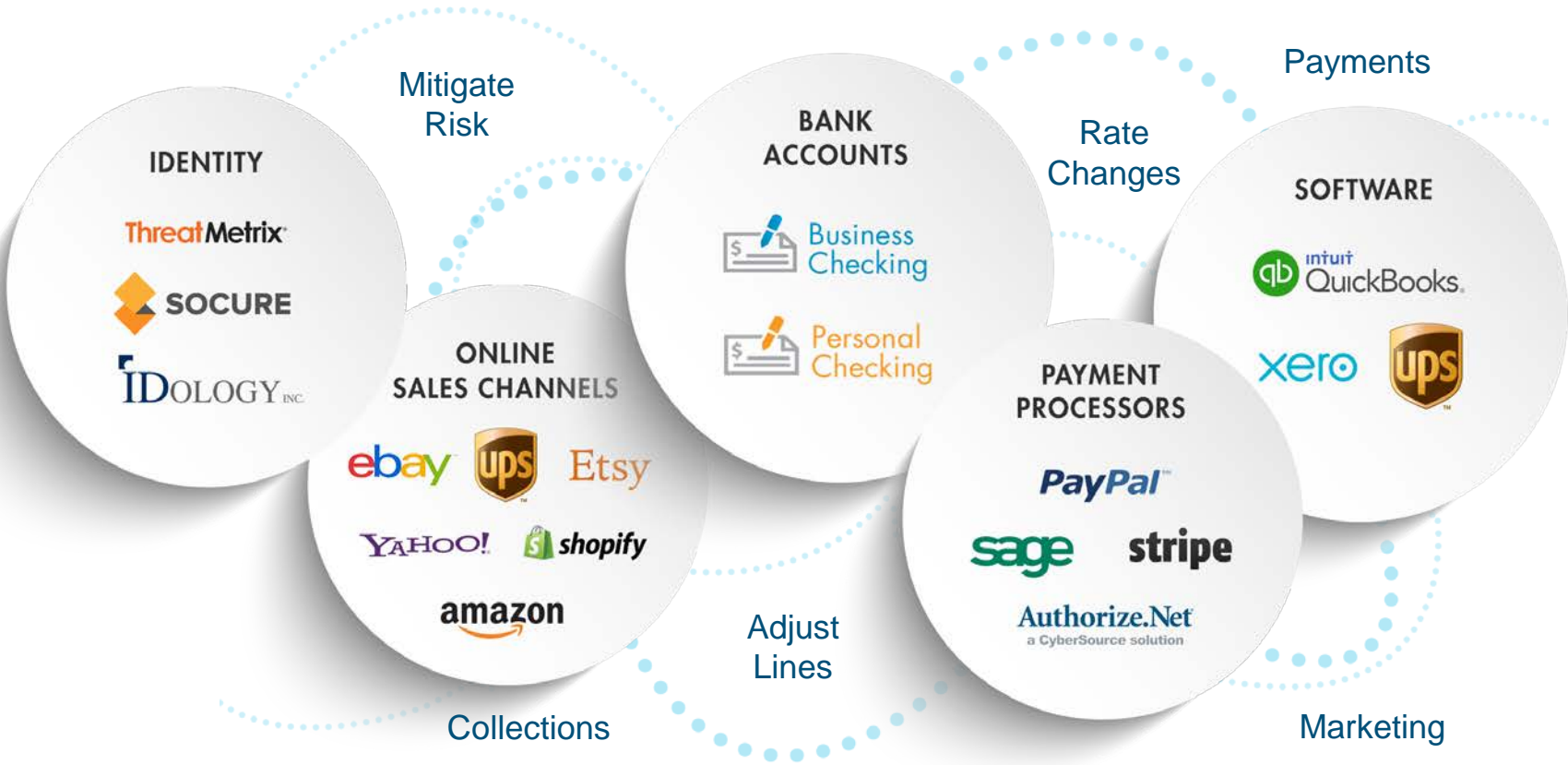
- Micro loans (\leq \$100k) to SMBs have fallen every year for the last five years
- The largest banks (\geq \$50B in assets) have shrunk their SMB lending (+17%) from 2008-11

- SMB loans represent only 1.21% of all business loans and are shrinking
- CRA institutions reported the number of micro business loans fell by 2M Y/Y in 2010

- 40% of all SMBs are annually seeking funding

- 43% won't get the funds they need

Our Concept: Connect the Data Dots



The right option for your
business?
Of course, it depends.



Innovative Lending Platform Association

Purpose

- To create clarity around online lending practices and to make pricing more understandable.

SMART Box

- SMART stands for *Straightforward Metrics Around Rate and Total cost*.
- SMART Box provides a chart of standardized pricing.



NFIB
The Voice of Small Business®



Kabbage®

NEW! BUSINESS LINE OF CREDIT

Receive a **\$200 Amazon electronic gift card** when you qualify for a business line of credit of up to **\$100,000**.

Get instantly approved to purchase inventory, hire new employees, build a new marketing campaign and more!



To learn more about NFIB's newest member benefit from Kabbage, visit <http://www.nfib.com/kabbage>

