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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly Period Ended September 30, 2017

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission File No. 001-34063



LendingTree, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

26-2414818
(I.R.S. Employer
Identification No.)

11115 Rushmore Drive, Charlotte, North Carolina 28277
(Address of principal executive offices)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer
(Do not check if a smaller reporting company)

Accelerated filer
Smaller reporting company

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.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 23, 2017, there were 11,968,798 shares of the Registrant's common stock, par value \$.01 per share, outstanding, excluding treasury shares.

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

LENDINGTREE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
 (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	<i>(in thousands, except per share amounts)</i>			
Revenue	\$ 171,494	\$ 94,558	\$ 456,782	\$ 283,561
Costs and expenses:				
Cost of revenue <i>(exclusive of depreciation and amortization shown separately below)</i>	4,388	3,392	12,143	10,329
Selling and marketing expense	118,538	62,819	320,930	192,416
General and administrative expense	17,920	9,008	41,561	26,820
Product development	4,805	3,718	12,492	11,384
Depreciation	1,798	1,286	5,309	3,458
Amortization of intangibles	3,817	166	9,034	263
Change in fair value of contingent consideration	2,501	—	20,640	—
Severance	—	—	404	72
Litigation settlements and contingencies	272	19	961	109
Total costs and expenses	154,039	80,408	423,474	244,851
Operating income	17,455	14,150	33,308	38,710
Other income (expense), net:				
Interest expense, net	(2,804)	(141)	(4,048)	(424)
Other (expense) income	(228)	—	(215)	—
Income before income taxes	14,423	14,009	29,045	38,286
Income tax expense	(4,292)	(6,729)	(3,109)	(15,099)
Net income from continuing operations	10,131	7,280	25,936	23,187
Loss from discontinued operations, net of tax	(1,011)	(664)	(2,632)	(3,017)
Net income and comprehensive income	\$ 9,120	\$ 6,616	\$ 23,304	\$ 20,170
Weighted average shares outstanding:				
Basic	11,999	11,754	11,931	11,827
Diluted	13,774	12,742	13,625	12,782
Income per share from continuing operations:				
Basic	\$ 0.84	\$ 0.62	\$ 2.17	\$ 1.96
Diluted	\$ 0.74	\$ 0.57	\$ 1.90	\$ 1.81
Loss per share from discontinued operations:				
Basic	\$ (0.08)	\$ (0.06)	\$ (0.22)	\$ (0.26)
Diluted	\$ (0.07)	\$ (0.05)	\$ (0.19)	\$ (0.24)
Net income per share:				
Basic	\$ 0.76	\$ 0.56	\$ 1.95	\$ 1.71
Diluted	\$ 0.66	\$ 0.52	\$ 1.71	\$ 1.58

The accompanying notes to consolidated financial statements are an integral part of these statements.

LENDINGTREE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 30, 2017	December 31, 2016
	<i>(in thousands, except par value and share amounts)</i>	
ASSETS:		
Cash and cash equivalents	\$ 345,239	\$ 91,131
Restricted cash and cash equivalents	4,087	4,089
Accounts receivable (net of allowance of \$1,260 and \$1,059, respectively)	64,128	41,382
Prepaid and other current assets	9,690	4,021
Total current assets	423,144	140,623
Property and equipment (net of accumulated depreciation of \$12,172 and \$9,739, respectively)	35,345	35,462
Goodwill	113,558	56,457
Intangible assets, net	85,265	71,684
Deferred income tax assets	17,737	14,610
Other non-current assets	826	810
Non-current assets of discontinued operations	3,781	3,781
Total assets	\$ 679,656	\$ 323,427
LIABILITIES:		
Accounts payable, trade	\$ 3,552	\$ 5,593
Accrued expenses and other current liabilities	68,744	49,403
Current contingent consideration	24,014	—
Current liabilities of discontinued operations (Note 14)	13,396	11,711
Total current liabilities	109,706	66,707
Long-term debt	235,120	—
Non-current contingent consideration	30,544	23,600
Other non-current liabilities	1,473	1,685
Total liabilities	376,843	91,992
Commitments and contingencies (Note 11)		
SHAREHOLDERS' EQUITY:		
Preferred stock \$.01 par value; 5,000,000 shares authorized; none issued or outstanding	—	—
Common stock \$.01 par value; 50,000,000 shares authorized; 14,174,357 and 13,955,378 shares issued, respectively, and 11,968,459 and 11,791,633 shares outstanding, respectively	142	140
Additional paid-in capital	1,076,748	1,018,010
Accumulated deficit	(700,628)	(722,630)
Treasury stock; 2,205,898 and 2,163,745 shares, respectively	(74,086)	(64,085)
Noncontrolling interest (Note 5)	637	—
Total shareholders' equity	302,813	231,435
Total liabilities and shareholders' equity	\$ 679,656	\$ 323,427

The accompanying notes to consolidated financial statements are an integral part of these statements.

LENDINGTREE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
(Unaudited)

	Total	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Treasury Stock		Noncontrolling Interest
		Number of Shares	Amount			Number of Shares	Amount	
	<i>(in thousands)</i>							
Balance as of December 31, 2016	\$ 231,435	13,955	\$ 140	\$ 1,018,010	\$ (722,630)	2,164	\$ (64,085)	\$ —
Net income and comprehensive income	23,304	—	—	—	23,304	—	—	—
Non-cash compensation	13,068	—	—	13,068	—	—	—	—
Purchase of treasury stock	(10,001)	—	—	—	—	42	(10,001)	—
Issuance of common stock for stock options, restricted stock awards and restricted stock units, net of withholding taxes	1,064	219	2	1,062	—	—	—	—
Cumulative effect adjustment due to ASU 2016-09	985	—	—	2,287	(1,302)	—	—	—
Issuance of 0.625% Convertible Senior Notes, net	60,411	—	—	60,411	—	—	—	—
Convertible note hedge	(61,500)	—	—	(61,500)	—	—	—	—
Sale of warrants	43,410	—	—	43,410	—	—	—	—
Noncontrolling interest (Note 5)	637							637
Balance as of September 30, 2017	\$ 302,813	14,174	\$ 142	\$ 1,076,748	\$ (700,628)	2,206	\$ (74,086)	\$ 637

The accompanying notes to consolidated financial statements are an integral part of these statements.

LENDINGTREE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended September 30,	
	2017	2016
	<i>(in thousands)</i>	
Cash flows from operating activities attributable to continuing operations:		
Net income and comprehensive income	\$ 23,304	\$ 20,170
Less: Loss from discontinued operations, net of tax	2,632	3,017
Income from continuing operations	25,936	23,187
Adjustments to reconcile income from continuing operations to net cash provided by operating activities attributable to continuing operations:		
Loss on disposal of fixed assets	673	388
Amortization of intangibles	9,034	263
Depreciation	5,309	3,458
Rental amortization of intangibles and depreciation	1,011	—
Non-cash compensation expense	13,068	7,410
Deferred income taxes	(5,571)	333
Change in fair value of contingent consideration	20,640	—
Bad debt expense	401	378
Amortization of debt issuance costs	622	183
Amortization of convertible debt discount	3,635	—
Changes in current assets and liabilities:		
Accounts receivable	(22,271)	(8,565)
Prepaid and other current assets	(5,070)	(2,051)
Accounts payable, accrued expenses and other current liabilities	19,361	(5)
Income taxes payable	(1,399)	13,261
Other, net	(296)	645
Net cash provided by operating activities attributable to continuing operations	65,083	38,885
Cash flows from investing activities attributable to continuing operations:		
Capital expenditures	(5,925)	(8,017)
Acquisition of SnapCap	(11,886)	—
Acquisition of DepositAccounts	(25,000)	—
Acquisition of MagnifyMoney, net of cash acquired	(29,511)	—
Acquisition of a business	—	(4,500)
Decrease in restricted cash	2	2,450
Net cash used in investing activities attributable to continuing operations	(72,320)	(10,067)
Cash flows from financing activities attributable to continuing operations:		
Proceeds from exercise of stock options, net of payments related to net-share settlement of stock-based compensation	1,065	(3,093)
Proceeds from the issuance of 0.625% Convertible Senior Notes	300,000	—
Payment of convertible note hedge transactions	(61,500)	—
Proceeds from the sale of warrants	43,410	—
Payment of equity offering costs	—	(23)
Payment of debt issuance costs	(9,264)	(8)
Purchase of treasury stock	(10,001)	(48,524)
Net cash provided by (used in) financing activities attributable to continuing operations	263,710	(51,648)
Total cash provided by (used in) continuing operations	256,473	(22,830)
Net cash used in operating activities attributable to discontinued operations	(2,365)	(7,220)
Total cash used in discontinued operations	(2,365)	(7,220)
Net increase (decrease) in cash and cash equivalents	254,108	(30,050)
Cash and cash equivalents at beginning of period	91,131	206,975
Cash and cash equivalents at end of period	\$ 345,239	\$ 176,925

The accompanying notes to consolidated financial statements are an integral part of these statements.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1—ORGANIZATION

Company Overview

LendingTree, Inc. ("LendingTree" or the "Company"), is the parent of LendingTree, LLC and several companies owned by LendingTree, LLC.

LendingTree operates what it believes to be the leading online loan marketplace for consumers seeking loans and other credit-based offerings. The Company offers consumers tools and resources, including free credit scores, that facilitate comparison-shopping for mortgage loans, home equity loans, reverse mortgage loans, auto loans, credit cards, personal loans, deposit accounts, student loans, small business loans and other related offerings. The Company primarily seeks to match in-market consumers with multiple lenders on its marketplace who can provide them with competing quotes for the loans, deposits or credit-based offerings they are seeking. The Company also serves as a valued partner to lenders seeking an efficient, scalable and flexible source of customer acquisition with directly measurable benefits, by matching the consumer loan inquiries it generates with these lenders.

The consolidated financial statements include the accounts of LendingTree and all its wholly-owned entities. Intercompany transactions and accounts have been eliminated.

Discontinued Operations

The LendingTree Loans business is presented as discontinued operations in the accompanying consolidated balance sheets, consolidated statements of operations and comprehensive income and consolidated cash flows for all periods presented. The notes accompanying these consolidated financial statements reflect the Company's continuing operations and, unless otherwise noted, exclude information related to the discontinued operations. See Note 14 — Discontinued Operations for additional information.

Basis of Presentation

The accompanying unaudited interim consolidated financial statements as of September 30, 2017 and for the three and nine months ended September 30, 2017 and 2016, respectively, have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). In the opinion of management, the unaudited interim consolidated financial statements have been prepared on the same basis as the audited financial statements, and include all adjustments, consisting only of normal recurring adjustments, necessary for the fair statement of the Company's financial position for the periods presented. The results for the three and nine months ended September 30, 2017 are not necessarily indicative of the results to be expected for the year ending December 31, 2017, or any other period. The accompanying consolidated balance sheet as of December 31, 2016 was derived from audited financial statements included in the Company's annual report on Form 10-K for the year ended December 31, 2016 (the "2016 Annual Report"). The accompanying consolidated financial statements do not include all of the information and footnotes required by GAAP for annual financial statements. Accordingly, they should be read in conjunction with the audited financial statements and notes thereto included in the 2016 Annual Report.

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES

Accounting Estimates

Management is required to make certain estimates and assumptions during the preparation of the consolidated financial statements in accordance with GAAP. These estimates and assumptions impact the reported amount of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the consolidated financial statements. They also impact the reported amount of net earnings during any period. Actual results could differ from those estimates.

Significant estimates underlying the accompanying consolidated financial statements, including discontinued operations, include: loan loss obligations; the recoverability of long-lived assets, goodwill and intangible assets; the determination of income taxes payable and deferred income taxes, including related valuation allowances; fair value of assets acquired in a business combination; contingent consideration related to business combinations; litigation accruals; various other allowances, reserves and accruals; and assumptions related to the determination of stock-based compensation.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Certain Risks and Concentrations

LendingTree's business is subject to certain risks and concentrations including dependence on third-party technology providers, exposure to risks associated with online commerce security and credit card fraud.

Financial instruments, which potentially subject the Company to concentration of credit risk at September 30, 2017, consist primarily of cash and cash equivalents and accounts receivable, as disclosed in the consolidated balance sheet. Cash and cash equivalents are in excess of Federal Deposit Insurance Corporation insurance limits, but are maintained with quality financial institutions of high credit. The Company generally requires certain network lenders to maintain security deposits with the Company, which in the event of non-payment, would be applied against any accounts receivable outstanding.

Due to the nature of the mortgage lending industry, interest rate fluctuations may negatively impact future revenue from the Company's lender marketplace.

Lenders participating on the Company's marketplace can offer their products directly to consumers through brokers, mass marketing campaigns or through other traditional methods of credit distribution. These lenders can also offer their products online, either directly to prospective borrowers, through one or more online competitors, or both. If a significant number of potential consumers are able to obtain loans from participating lenders without utilizing the Company's services, its ability to generate revenue may be limited. Because the Company does not have exclusive relationships with the lenders whose loan offerings are offered on its online marketplace, consumers may obtain offers and loans from these lenders without using its service.

The Company maintains operations solely in the United States.

Litigation Settlements and Contingencies

Litigation settlements and contingencies consists of expenses related to actual or anticipated litigation settlements, in addition to legal fees incurred in connection with various patent litigation claims the Company pursues against others.

Recent Accounting Pronouncements

In May 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2017-09 which clarifies when to account for a change to the terms or conditions of a share-based payment award as a modification. Under the new guidance, modification accounting is required only if the fair value, the vesting conditions or the classification of the award changes as a result of the change in terms or conditions. This ASU is effective prospectively for annual periods beginning on or after December 15, 2017, with early adoption permitted. The Company is evaluating the impact this ASU will have on its consolidated financial statements and whether to early adopt.

In January 2017, the FASB issued ASU 2017-04 which eliminates the requirement to calculate the implied fair value of goodwill to measure a goodwill impairment charge (Step 2 of the goodwill impairment test). Instead, an impairment charge will be based on the excess of the carrying amount over the fair value. This ASU is effective for annual and interim impairment tests performed in periods beginning after December 15, 2019. Early adoption is permitted for annual and interim goodwill impairment testing dates after January 1, 2017. The Company is evaluating the impact this ASU will have on its consolidated financial statements and whether to early adopt.

In November 2016, the FASB issued ASU 2016-18 which is intended to reduce the diversity in the classification and presentation of changes in restricted cash in the statement of cash flows, by requiring entities to combine the changes in cash and cash equivalents and restricted cash in one line. As a result, entities will no longer present transfers between cash and cash equivalents and restricted cash in the statement of cash flows. In addition, if more than one line item is recorded on the balance sheet for cash and cash equivalents and restricted cash, a reconciliation between the statement of cash flows and balance sheet is required. This ASU is effective for annual and interim reporting periods beginning after December 15, 2017, with early adoption permitted. The retrospective transition method, requiring adjustment to all comparative periods presented, is required. The Company is evaluating the impact this ASU will have on its consolidated financial statements and whether to early adopt.

In August 2016, the FASB issued ASU 2016-15 which addresses eight cash flow classification issues, eliminating the diversity in practice. This ASU is effective for annual and interim reporting periods beginning after December 15, 2017, with early adoption permitted. The retrospective transition method, requiring adjustment to all comparative periods presented, is required unless it is impracticable for some of the amendments, in which case those amendments would be prospectively applied as of the earliest date practicable. The Company is evaluating the impact this ASU will have on its consolidated financial statements and whether to early adopt.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In March 2016, the FASB issued ASU 2016-09 which simplifies various aspects related to how share-based payments are accounted for and presented in the financial statements, including the income tax consequences, classification of awards as either equity or liabilities, forfeitures and classification of excess tax benefits on the statement of cash flows. This ASU was effective for annual and interim reporting periods beginning after December 15, 2016, with early adoption permitted. Upon adoption, any adjustments are to be reflected as of the beginning of the fiscal year of adoption. The Company adopted this ASU during the first quarter of 2017.

The new standard requires excess tax benefits and deficiencies, which arise due to the difference in the measure of stock compensation and the amount deductible for tax purposes, to be recorded in earnings in income tax expense. These excess tax benefits and deficiencies were generally previously recorded in additional paid-in capital and had no impact on net income. The standard required prospective adoption for this portion of the new guidance. During the third quarter and first nine months of 2017, the Company recognized \$0.8 million and \$8.4 million, respectively, of excess tax benefit in income tax expense in the accompanying consolidated statements of operations and comprehensive income. Additionally, the new standard requires the excess tax benefits and deficiencies to be classified as an operating activity in the accompanying consolidated statements of cash flows. These excess tax benefits and deficiencies were previously recorded as a financing activity in the statement of cash flows. The standard allowed for either prospective or retrospective adoption for the change in presentation in the statement of cash flows. The Company elected to retrospectively adopt the classification change in the statement of cash flows. Accordingly, prior periods have been adjusted, which increased the cash provided by operating activities and decreased the cash provided by financing activities by \$5.7 million in the first nine months of 2016 in the accompanying consolidated statements of cash flows. The standard also allows for an election by the Company to either estimate forfeitures, as required under previous guidance, or recognize forfeitures when they occur. The Company elected to recognize forfeitures of stock awards as they occur, with the modified retrospective transition method required. Accordingly, the Company recognized a \$1.4 million cumulative-effect adjustment to retained earnings as of January 1, 2017.

In February 2016, the FASB issued ASU 2016-02 related to leases. This ASU requires the recognition of a right-of-use lease asset and a lease liability by lessees for all leases greater than one year in duration. This ASU is effective for annual and interim reporting periods beginning after December 15, 2018, with early adoption permitted. The guidance must be adopted using a modified retrospective transition. The Company is evaluating the impact this ASU will have on its consolidated financial statements and whether to early adopt.

In May 2014, the FASB issued ASU 2014-09 related to revenue recognition. This ASU was initiated as a joint project between the FASB and the International Accounting Standards Board ("IASB") to clarify the principles for recognizing revenue and to develop a common revenue standard for GAAP and international financial reporting standards ("IFRS"). This guidance will supersede the existing revenue recognition requirements in Accounting Standards Codification ("ASC") Topic 605, Revenue Recognition and was set to be effective for annual reporting periods beginning after December 15, 2016. However, in July 2015, the FASB deferred the effective date by one year, such that the standard will be effective for annual reporting periods beginning after December 15, 2017. The ASU can be applied (i) retrospectively to each prior period presented or (ii) retrospectively with the cumulative effect of initially adopting the ASU recognized at the date of initial application. In March 2016, the FASB issued ASU 2016-08, which clarifies the principal versus agent guidance under ASU 2014-09. In April 2016, the FASB issued ASU 2016-10, which clarifies the identification of distinct performance obligations in a contract. In May 2016, the FASB issued ASU 2016-12, which clarifies the guidance on assessing collectability, presenting sales taxes, measuring noncash consideration and certain other transition matters. The clarification ASUs must be adopted concurrently with the adoption of ASU 2014-09. The Company will adopt the ASUs as of January 1, 2018 and apply the modified retrospective transition approach. Under this approach revenue for 2016 and 2017 will be reported in the consolidated statements of operations and comprehensive income on the historical basis and revenue for 2018 will be reported in the consolidated statements of operations and comprehensive income applying the new ASUs. Additionally, the Company will disclose revenue for 2018 periods on the historical basis in the footnotes to the financial statements. Under the new ASUs, the timing of recognizing revenue for closing fees and approval fees will be accelerated to the point when a loan request or a credit card consumer is delivered to the customer as opposed to when the consumer loan is closed by the lender or credit card approval is made by the issuer. The Company does not expect the adoption of the ASUs to have a material effect on annual revenue or net income from continuing operations.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 3—RESTRICTED CASH

Restricted cash and cash equivalents consists of the following (*in thousands*):

	September 30, 2017	December 31, 2016
Cash in escrow from sale of LendingTree Loans ^(a)	\$ 4,033	\$ 4,032
Other	54	57
Total restricted cash and cash equivalents	\$ 4,087	\$ 4,089

(a) Home Loan Center, Inc. ("HLC"), a subsidiary of the Company, continues to be liable for certain indemnification obligations, repurchase obligations and premium repayment obligations following the sale of substantially all of the operating assets of its LendingTree Loans business in the second quarter of 2012.

NOTE 4—GOODWILL AND INTANGIBLE ASSETS

The balance of goodwill, net is as follows (*in thousands*):

	Goodwill	Accumulated Impairment Loss	Net Goodwill
Balance at December 31, 2016	\$ 539,545	\$ (483,088)	\$ 56,457
Acquisition of DepositAccounts	19,389	—	19,389
Acquisition of MagnifyMoney	23,784	—	23,784
Acquisition of SnapCap	13,928	—	13,928
Balance at September 30, 2017	\$ 596,646	\$ (483,088)	\$ 113,558

The balance of intangible assets, net is as follows (*in thousands*):

	September 30, 2017	December 31, 2016
Intangible assets with indefinite lives	\$ 10,142	\$ 10,142
Intangible assets with definite lives, net	75,123	61,542
Total intangible assets, net	\$ 85,265	\$ 71,684

Goodwill and Indefinite-Lived Intangible Assets

The Company's goodwill is associated with its one reportable segment. Intangible assets with indefinite lives relate to the Company's trademarks.

Intangible Assets with Definite Lives

Intangible assets with definite lives relate to the following (*in thousands*):

	Cost	Accumulated Amortization	Net
Technology	\$ 37,500	\$ (6,437)	\$ 31,063
Customer lists	32,900	(2,506)	30,394
Trademarks and tradenames	6,942	(1,674)	5,268
Tenant leases	2,030	(785)	1,245
Website content	7,800	(650)	7,150
Other	250	(247)	3
Balance at September 30, 2017	\$ 87,422	\$ (12,299)	\$ 75,123

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	Cost	Accumulated Amortization	Net
Technology	\$ 28,300	\$ (659)	\$ 27,641
Customer lists	28,100	(639)	27,461
Trademarks and tradenames	5,342	(937)	4,405
Tenant leases	2,030	—	2,030
Other	250	(245)	5
Balance at December 31, 2016	\$ 64,022	\$ (2,480)	\$ 61,542

Amortization of intangible assets with definite lives is computed on a straight-line basis and, based on balances as of September 30, 2017, future amortization is estimated to be as follows (*in thousands*):

	<u>Amortization Expense</u>
Remainder of current year	\$ 4,345
Year ending December 31, 2018	16,228
Year ending December 31, 2019	15,973
Year ending December 31, 2020	13,948
Year ending December 31, 2021	5,743
Thereafter	18,886
Total intangible assets with definite lives, net	\$ 75,123

NOTE 5—BUSINESS ACQUISITION

CompareCards

On November 16, 2016, the Company acquired all of the membership interests of Iron Horse Holdings, LLC, which does business under the name CompareCards ("CompareCards"). CompareCards is an online marketing platform for credit cards, which the Company is utilizing to grow its existing credit card business. The Company paid \$80.7 million in initial cash consideration and will make two earnout payments, each ranging from zero to \$22.5 million, based on the amount of earnings before interest, taxes, depreciation and amortization CompareCards generates during the periods of January 1, 2017 through December 31, 2017 and January 1, 2018 through December 31, 2018, or up to \$45.0 million in aggregate payments (the "Earnout Payments"). The purchase price for the acquisition is \$103.8 million comprised of an upfront cash payment of \$80.7 million on November 16, 2016 and \$23.1 million for the estimated fair value of the Earnout Payments at the time of closing the acquisition.

As of September 30, 2017, the estimated fair value of the Earnout Payments totaled \$43.1 million, \$22.0 million of which is included in current contingent consideration and \$21.1 million of which is included in non-current contingent consideration in the accompanying consolidated balance sheet. The estimated fair value of the Earnout Payments is determined using an option pricing model. The estimated value of the Earnout Payments is based upon available information and certain assumptions, known at the time of this report, which management believes are reasonable. Any differences in the actual Earnout Payments from the current estimated fair value of the Earnout Payments will be recorded in operating income in the consolidated statements of operations. During the third quarter and first nine months of 2017, the Company recorded \$1.9 million and \$20.0 million, respectively, of contingent consideration expense in the consolidated statement of operations and comprehensive income due to the change in estimated fair value of the Earnout Payments.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The acquisition has been accounted for as a business combination. During the quarter ended March 31, 2017, the Company completed the determination of the final allocation of the purchase price with respect to the assets acquired and liabilities assumed as follows (*in thousands*):

	Fair Value
Accounts receivable	\$ 3,538
Total intangible assets with definite lives, net	55,400
Goodwill	52,450
Accounts payable and accrued liabilities	(7,638)
Total purchase price	\$ 103,750

Acquisition-related costs in the first nine months of 2017 of \$0.1 million are included in general and administrative expense in the accompanying consolidated statement of operations and comprehensive income.

DepositAccounts

On June 14, 2017, the Company acquired substantially all of the assets of Deposits Online, LLC, which does business under the name DepositAccounts.com (“DepositAccounts”). DepositAccounts is a leading consumer-facing media property in the depository industry and is one of the most comprehensive sources of depository deals and analysis on the Web, covering all major deposit product categories through editorial content, programmatic rate tables and user-generated content.

The Company paid \$24.0 million of initial cash consideration and could make additional contingent consideration payments of up to \$9.0 million. The potential contingent consideration payments are comprised of (i) up to seven payments of \$1.0 million each based on specified increases in Federal Funds interest rates during the period commencing on the closing date and ending on June 30, 2020 and (ii) a one-time performance payment of up to \$2.0 million based on the net revenue of deposit products during the period of January 1, 2018 through December 31, 2018 (the “Contingent Consideration”). These additional payments, to the extent earned, will be payable in cash. The purchase price for the acquisition is \$29.0 million, comprised of the upfront cash payment of \$24.0 million and \$5.0 million for the estimated fair value of the Contingent Consideration at the time of closing the acquisition.

In the third quarter of 2017, the Company made a payment of \$1.0 million associated with a specified increase in the Federal Funds rate in June 2017. As of September 30, 2017, the estimated fair value of the Contingent Consideration totaled \$4.6 million, of which \$1.5 million is included in current contingent consideration and \$3.1 million of which is included in non-current contingent consideration in the accompanying consolidated balance sheet. The estimated fair value of the portion of the Contingent Consideration payments based on increases in interest rates is determined using a scenario approach based on the interest rate forecasts of Federal Open Market Committee participants. The estimated fair value of the portion of the Contingent Consideration payments potentially earned based on net revenue is determined using an option pricing model. The estimated value of the Contingent Consideration is based upon available information and certain assumptions, known at the time of this report, which management believes are reasonable. Any differences in the actual Contingent Consideration payments will be recorded in operating income in the consolidated statements of operations and comprehensive income. During the third quarter and first nine months of 2017, the Company recorded \$0.6 million of contingent consideration expense in the consolidated statement of operations and comprehensive income due to the change in estimated fair value of the Contingent Consideration.

The acquisition has been accounted for as a business combination. During the quarter ended September 30, 2017, the Company completed the determination of the final allocation of purchase price to the assets acquired and liabilities assumed as follows (*in thousands*):

	Fair Value
Intangible assets	\$ 9,600
Goodwill	19,389
Total purchase price	\$ 28,989

The Company primarily used the income approach for the valuation as appropriate, and used valuation inputs in these models and analyses that were based on market participant assumptions. Market participants are buyers and sellers unrelated to the Company

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

and fair value is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date.

The acquired intangible assets are definite-lived assets consisting primarily of developed technology, customer relationships and trade name and trademarks. The estimated fair values of the developed technology were determined using excess earnings analysis, the customer relationships were determined using the distributor method and the trade name and trademarks were determined using relief from royalty analysis. The fair value of the intangible assets with definite lives are as follows (*dollars in thousands*):

	Fair Value	Weighted Average Amortization Life
Technology	\$ 8,600	5 years
Customer lists	600	8 years
Trade name and trademarks	400	4 years
Total intangible assets	\$ 9,600	5.2 years

The Company recorded goodwill of \$19.4 million, which represents the excess of the purchase price over the estimated fair value of the intangible assets acquired. The goodwill is primarily attributable to DepositAccounts as a going concern which represents the ability of the Company to earn a higher return on the collection of assets and business of DepositAccounts than if those assets were to be acquired and managed separately. The benefit of access to the workforce is an additional element of goodwill. The goodwill is recorded in the Company's one reportable segment. For income tax purposes, the Company treated the acquisition as an asset purchase and the goodwill will be tax deductible.

As of the acquisition date, the Company's consolidated results of operations include the results of the acquired DepositAccounts business. In the third quarter and first nine months of 2017, revenue of \$1.9 million and \$2.2 million, respectively, and net income from continuing operations of \$0.4 million and \$0.6 million, respectively, have been included in the Company's consolidated results of operations. Acquisition-related costs were \$0.1 million and \$0.3 million, respectively, in the third quarter and first nine months of 2017 and are included in general and administrative expense on the consolidated statement of operations and comprehensive income.

MagnifyMoney

On June 20, 2017, the Company acquired the membership interests of Camino Del Avion (Delaware), LLC, which does business under the name MagnifyMoney ("MagnifyMoney") for \$29.6 million cash consideration at the closing of the transaction. Camino del Avion (Delaware), LLC was immediately merged with and into LendingTree, LLC following such acquisition. 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. The Company also has an option to acquire a foreign affiliate of one of the principals for \$0.5 million at any time during the three years after the closing. This foreign affiliate provides technology and research support to MagnifyMoney under a services agreement.

In addition, the Company issued two key employees of MagnifyMoney restricted stock unit awards for a total of 38,468 shares of Company common stock, and may issue a further restricted stock unit award for 19,234 shares to a third key employee of the foreign affiliate should he become employed by the Company following the Company's exercise of the option to acquire the foreign affiliate. The total value of these restricted stock unit awards was \$10.0 million on June 20, 2017. All of these restricted stock units will vest, if at all, on the basis of performance conditions following the acquisition.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The acquisition has been accounted for as a business combination. During the quarter ended September 30, 2017, the Company completed the determination of the final allocation of purchase price to the assets acquired and liabilities assumed as follows (*in thousands*):

	Fair Value
Net working capital	\$ 921
Intangible assets	9,700
Goodwill	23,784
Deferred tax liabilities	(4,176)
Noncontrolling interest	(637)
Total purchase price	\$ 29,592

The Company primarily used the income approach for the valuation as appropriate, and used valuation inputs in these models and analyses that were based on market participant assumptions. Market participants are buyers and sellers unrelated to the Company and fair value is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date.

The acquired intangible assets are definite-lived assets consisting primarily of content, developed technology, customer relationships and trade name and trademarks. The estimated fair values of the content was determined using excess earnings analysis, developed technology was determined using cost savings analysis, the customer relationships were determined using the distributor method and the trade name and trademarks were determined using relief from royalty analysis.

The fair value of the intangible assets with definite lives are as follows (*dollars in thousands*):

	Fair Value	Weighted Average Amortization Life
Technology	\$ 200	3 years
Customer lists	1,100	9 years
Trade name and trademarks	600	4 years
Content	7,800	3 years
Total intangible assets	\$ 9,700	3.7 years

The Company recorded goodwill of \$23.8 million, which represents the excess of the purchase price over the estimated fair value of the tangible and intangible assets acquired, net of the liabilities assumed. The goodwill is primarily attributable to MagnifyMoney as a going concern which represents the ability of the Company to earn a higher return on the collection of assets and business of MagnifyMoney than if those assets were to be acquired and managed separately. The benefit of access to the workforce is an additional element of goodwill. The goodwill is recorded in the Company's one reportable segment. For income tax purposes, the Company treated the acquisition as an equity purchase and the goodwill will not be tax deductible.

The Company has determined that the foreign entity which provides technology and research support to MagnifyMoney under a services agreement is a variable interest entity which must be consolidated for financial reporting. The Company has recorded the assets, liabilities and non-controlling interest in this entity at their estimated fair value.

As of the acquisition date, the Company's consolidated results of operations include the results of the acquired MagnifyMoney business. In the third quarter and first nine months of 2017, revenue of \$1.2 million and \$1.3 million, respectively, and net loss from continuing operations of \$0.3 million and \$0.3 million, respectively, have been included in the Company's consolidated results of operations and comprehensive income. Acquisition-related costs were \$0.4 million in the first nine months of 2017 and are included in general and administrative expense on the consolidated statement of operations and comprehensive income.

SnapCap

On September 19, 2017, the Company acquired certain assets of Snap Capital LLC, which does business under the name SnapCap ("SnapCap"). SnapCap, a tech-enabled online platform, connects business owners with lenders offering small business loans, lines of credit and merchant cash advance products through a concierge-based sales approach.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The Company paid \$11.9 million of initial cash consideration and could make up to three additional contingent consideration payments, each ranging from zero to \$3.0 million, based on certain defined operating results during the periods of October 1, 2017 through September 30, 2018, October 1, 2018 through September 30, 2019 and October 1, 2019 through March 31, 2020. These additional payments, to the extent earned, will be payable in cash. The Company has estimated a preliminary purchase price of \$18.2 million, comprised of the upfront cash payment of \$11.9 million and \$6.3 million for the estimated fair value of the contingent consideration, which is included in non-current contingent consideration in the accompanying balance sheet.

The estimated fair value of the contingent consideration payments is determined using an option pricing model. The estimated value of the contingent consideration is based upon available information and certain assumptions, known at the time of this report, which management believes are reasonable. Any differences in the actual contingent consideration payments after the final determination of purchase price will be recorded in operating income (expense) in the consolidated statements of operations and comprehensive income.

The acquisition has been accounted for as a business combination. The preliminary allocation of purchase price to the assets acquired and liabilities assumed is as follows (*in thousands*):

	<u>Preliminary Fair Value</u>
Net working capital and other assets	\$ 42
Fixed assets	146
Intangible assets	4,100
Goodwill	13,928
Total preliminary purchase price	\$ 18,216

The Company primarily used the income approach for the valuation as appropriate, and used valuation inputs in these models and analyses that were based on market participant assumptions. Market participants are buyers and sellers unrelated to the Company and fair value is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date.

The acquired intangible assets are definite-lived assets consisting primarily of developed technology, customer relationships and trade name and trademarks. The estimated fair values of the developed technology were determined using excess earnings analysis, the customer relationships were determined using the distributor method and the trade name and trademarks were determined using relief from royalty analysis. The fair value of the intangible assets with definite lives are as follows (*dollars in thousands*):

	<u>Preliminary Fair Value</u>	<u>Weighted Average Amortization Life</u>
Technology	\$ 400	3 years
Customer lists	3,100	10 years
Trade name and trademarks	600	5 years
Total intangible assets	\$ 4,100	8.6 years

As of September 30, 2017, the Company has not completed its determination of the final purchase price or the final allocation of the purchase price to the assets and liabilities of the acquisition. The purchase price and final allocation of purchase price is expected to be finalized in the fourth quarter of 2017. Any adjustment to the preliminary purchase price or the assets and liabilities assumed with the acquisition will adjust goodwill.

The Company recorded preliminary goodwill of \$13.9 million, which represents the excess of the purchase price over the estimated fair value of the intangible assets acquired. The goodwill is primarily attributable to SnapCap as a going concern which represents the ability of the Company to earn a higher return on the collection of assets and business of SnapCap than if those assets were to be acquired and managed separately. The benefit of access to the workforce is an additional element of goodwill. The goodwill is recorded in the Company's one reportable segment. For income tax purposes, the Company treated the acquisition as an asset purchase and the goodwill will be tax deductible.

As of the acquisition date, the Company's consolidated results of operations include the results of the acquired SnapCap business. In the third quarter of 2017, revenue of \$0.2 million and net loss from continuing operations of \$0.1 million have be

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

en included in the Company's consolidated results of operations. Acquisition-related costs were \$0.2 million in the third quarter of 2017 and are included in general and administrative expense on the consolidated statement of operations and comprehensive income.

Pro forma Financial Results

The unaudited pro forma financial results for the third quarter and first nine months of 2017 and 2016 combines the consolidated results of the Company and CompareCards, DepositAccounts, MagnifyMoney and SnapCap giving effect to the acquisitions as if the CompareCards acquisition had been completed on January 1, 2015 and as if the DepositAccounts, MagnifyMoney and SnapCap acquisitions had been completed on January 1, 2016. This unaudited pro forma financial information is presented for informational purposes only and is not indicative of future operations or results had the acquisition been completed as of January 1, 2015 or 2016, or any other date.

The unaudited pro forma financial results include adjustments for additional amortization expense based on the fair value of the intangible assets with definite lives and their estimated useful lives. The provision for income taxes from continuing operations has also been adjusted to reflect taxes on the historical results of operations of CompareCards, DepositAccounts and SnapCap. CompareCards, DepositAccounts and SnapCap did not pay taxes at the entity level as these entities were limited liability companies whose members elected for them to be taxed as a partnership.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	<i>(in thousands)</i>			
Pro forma revenue	\$ 172,400	\$ 118,219	\$ 465,624	\$ 347,442
Pro forma net income from continuing operations	\$ 10,043	\$ 8,776	\$ 26,072	\$ 23,556

The pro forma net income from continuing operations in the third quarter and first nine months of 2017 include the after tax contingent consideration expense associated with the CompareCards and DepositAccounts Earnouts of \$1.5 million and \$12.4 million, respectively. The pro forma net income from continuing operations for the first nine months of 2016 have been adjusted to include acquisition-related costs of \$1.0 million incurred by the Company, DepositAccounts, MagnifyMoney and SnapCap that are directly attributable to the acquisitions, which will not have an on-going impact. Accordingly, the acquisition-related costs have been eliminated from the pro forma net income from continuing operations for the third quarter and first nine month of 2017.

NOTE 6—ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consist of the following *(in thousands)*:

	September 30, 2017	December 31, 2016
Accrued litigation liabilities	\$ 588	\$ 736
Accrued advertising expense	44,698	26,976
Accrued compensation and benefits	5,905	5,626
Accrued professional fees	1,003	1,411
Customer deposits and escrows	5,522	5,041
Other	11,028	9,613
Total accrued expenses and other current liabilities	\$ 68,744	\$ 49,403

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 7—SHAREHOLDERS' EQUITY

Basic and diluted income per share was determined based on the following share data (*in thousands*):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Weighted average basic common shares	11,999	11,754	11,931	11,827
Effect of stock options	1,619	913	1,598	877
Effect of dilutive share awards	101	75	96	78
Effect of Convertible Senior Notes	55	—	—	—
Weighted average diluted common shares	13,774	12,742	13,625	12,782

For the three months ended September 30, 2017, the weighted average shares that were anti-dilutive, and therefore excluded from the calculation of diluted income per share, included options to purchase 0.3 million shares of common stock and 0.1 million restricted stock awards. For the nine months ended September 30, 2017, the weighted average shares that were anti-dilutive, and therefore excluded from the calculation of diluted income per share included options to purchase 0.1 million shares of common stock.

The 0.625% Convertible Senior Notes due June 1, 2022 and the warrants issued by the Company in the second quarter of 2017 could be converted into the Company's common stock in the future, subject to certain contingencies. See Note 10 —Debt for additional information. Shares of the Company's common stock associated with these instruments were excluded from the calculation of diluted income per share during the first nine months of 2017 as they are anti-dilutive since the conversion price of the Convertible Senior Notes and the strike price of the warrants were greater than the average market price of the Company's common stock. Shares of the Company's common stock associated with the warrants were excluded from the calculation of diluted income per share during the three months ended September 30, 2017 as they were anti-dilutive since the strike price of the warrants was greater than the average market price of the Company's common stock.

Common Stock Repurchases

In each of January 2010, May 2014, January 2016 and February 2016, the board of directors authorized and the Company announced the repurchase of up to \$10.0 million, \$10.0 million, \$50.0 million and \$40.0 million, respectively, of LendingTree's common stock. During the nine months ended September 30, 2017 and 2016, the Company purchased 42,153 and 690,218 shares, respectively, of its common stock pursuant to this stock repurchase program. At September 30, 2017, approximately \$38.7 million of the previous authorizations to repurchase common stock remain available for the Company to purchase its common stock.

NOTE 8—STOCK-BASED COMPENSATION

Non-cash compensation related to equity awards is included in the following line items in the accompanying consolidated statements of operations and comprehensive income (*in thousands*):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Cost of revenue	\$ 41	\$ 29	\$ 129	\$ 99
Selling and marketing expense	1,366	737	2,543	2,118
General and administrative expense	5,864	1,072	8,684	3,511
Product development	667	510	1,712	1,682
Total non-cash compensation	\$ 7,938	\$ 2,348	\$ 13,068	\$ 7,410

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Stock Options

A summary of changes in outstanding stock options is as follows:

	Number of Options	Weighted Average Exercise Price <i>(per option)</i>	Weighted Average Remaining Contractual Term <i>(in years)</i>	Aggregate Intrinsic Value ^(a) <i>(in thousands)</i>
Options outstanding at January 1, 2017	1,991,802	\$ 21.23		
Granted ^(b)	51,089	187.82		
Exercised	(179,165)	31.75		
Forfeited	(20,001)	71.04		
Expired	—	—		
Options outstanding at September 30, 2017	1,843,725	24.28	4.58	\$ 405,934
Options exercisable at September 30, 2017	1,072,151	\$ 11.82	2.71	\$ 249,411

- (a) The aggregate intrinsic value represents the total pre-tax intrinsic value (the difference between the Company's closing stock price of \$244.45 on the last trading day of the quarter ended September 30, 2017 and the exercise price, multiplied by the number of shares covered by in-the-money options) that would have been received by the option holders had all option holders exercised their options on September 30, 2017. The intrinsic value changes based on the market value of the Company's common stock.
- (b) During the nine months ended September 30, 2017, the Company granted stock options to certain employees and members of the board of directors with a weighted average grant date fair value per share of \$93.26, calculated using the Black-Scholes option pricing model, which vesting periods include (a) three years from the grant date, (b) two years from the grant date and (c) immediately upon grant.

For purposes of determining stock-based compensation expense, the weighted average grant date fair value per share of the stock options was estimated using the Black-Scholes option pricing model, which requires the use of various key assumptions. The weighted average assumptions used are as follows:

Expected term ⁽¹⁾	5.00 - 6.00 years
Expected dividend ⁽²⁾	—
Expected volatility ⁽³⁾	51% - 52%
Risk-free interest rate ⁽⁴⁾	1.74% - 2.17%

- (1) The expected term of stock options granted was calculated using the "Simplified Method," which utilizes the midpoint between the weighted average time of vesting and the end of the contractual term. This method was utilized for the stock options due to a lack of historical exercise behavior by the Company's employees.
- (2) For all stock options granted in 2017, no dividends are expected to be paid over the contractual term of the stock options, resulting in a zero expected dividend rate.
- (3) The expected volatility rate is based on the historical volatility of the Company's common stock.
- (4) The risk-free interest rate is specific to the date of grant. The risk-free interest rate is based on U.S. Treasury yields for notes with comparable expected terms as the awards, in effect at the grant date.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Restricted Stock Units and Restricted Stock

A summary of the changes in outstanding nonvested restricted stock units ("RSUs") and restricted stock is as follows:

	RSUs	
	Number of Units	Weighted Average Grant Date Fair Value <i>(per unit)</i>
Nonvested at January 1, 2017	152,374	\$ 65.64
Granted	83,113	138.07
Vested	(72,112)	54.79
Forfeited	(14,078)	82.37
Nonvested at September 30, 2017	149,297	\$ 109.64

	Restricted Stock	
	Number of Shares	Weighted Average Grant Date Fair Value <i>(per share)</i>
Nonvested at January 1, 2017	14,464	\$ 25.14
Granted	—	—
Vested	(14,464)	25.14
Forfeited	—	—
Nonvested at September 30, 2017	—	\$ —

Restricted Stock Units with Performance Conditions

A summary of the changes in outstanding nonvested RSUs with performance conditions is as follows:

	RSUs with Performance Conditions	
	Number of Units	Weighted Average Grant Date Fair Value <i>(per unit)</i>
Nonvested at January 1, 2017	44,509	\$ 88.28
Granted	53,306	164.07
Vested	(1,931)	96.46
Forfeited	—	—
Nonvested at September 30, 2017	95,884	\$ 130.25

Chairman and Chief Executive Officer Grants

As disclosed in the Company's report on Form 10-Q for the quarterly period ending June 30, 2017, on July 25, 2017, the Company's Compensation Committee of its Board of Directors approved new compensation arrangements for its Chairman and Chief Executive Officer. The new compensation arrangements include the issuance of performance based equity compensation grants with a modeled total grant date value of \$87.5 million of which 25% (119,015 shares) would be in the form of time-vested restricted stock awards with a performance condition and 75% (a maximum of 769,376 shares) would be in the form of performance-based nonqualified stock options.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Stock Options with Market Conditions

The performance-based nonqualified stock options have a target number of shares that vest upon achieving targeted total shareholder return performance of 110% stock price appreciation and a maximum number of shares for achieving superior performance up to 167% of the target number of shares. No shares will vest unless 70% of the targeted performance is achieved. Time-based service vesting conditions would also have to be satisfied in order for performance-vested shares to become fully vested and no longer subject to forfeiture. In connection with the new compensation arrangements, on July 26, 2017, an initial grant of performance-based nonqualified stock options with a target number of shares of 402,694 and a maximum number of shares of 672,499 were issued with an exercise price of \$183.80, the closing stock price on July 26, 2017. The fair value of the performance-based stock options will be recognized on a straight-line basis through the vest date of September 30, 2022, whether or not any of the total shareholder return targets are met. In the three months ended September 30, 2017, the Company recorded \$2.0 million in stock-based compensation expense in the consolidated statement of operations and comprehensive income.

The Company's Fifth Amended and Restated 2008 Stock and Annual Incentive Plan (the "2008 Plan") imposes a per employee upper annual grant limit of 672,500 shares. As a result, the remaining 58,010 target performance-based nonqualified stock options (and potential performance-based restricted stock awards) will be awarded on or about January 2, 2018. The form of the awards will consist of a performance-based nonqualified stock option award with a per share exercise price of \$183.80 or the closing price of the Company's common stock on such future grant date ("2018 Performance Option") if the closing price on such future grant date is greater than \$183.80; and, if the closing share price of the Company's common stock on January 2, 2018 is greater than the closing share price on July 26, 2017, a second performance-based restricted stock award will be granted, substituting for an equal number of the performance-based options, to compensate for the increase in the exercise price of the performance-based option granted on July 26, 2017. The number of performance-based options and performance-based restricted stock shares will not be determined until January 2, 2018. As of September 30, 2017, the Company estimated the fair value of the remaining 58,010 target shares using a Monte Carlo simulation model and the Company's common stock price on September 30, 2017 to record mark-to-market expense associated with the commitment to issue the shares. In the three months ended September 30, 2017, the Company recorded \$0.4 million in stock-based compensation expense based on the current estimated fair value on a straight-line basis.

As of September 30, 2017, the performance conditions associated with the performance-based nonqualified stock options and the potential performance-based restricted stock shares had not been met.

A summary of changes in outstanding stock options with market conditions is as follows:

	Number of Options with Market Conditions	Weighted Average Exercise Price <i>(per option)</i>	Weighted Average Remaining Contractual Term <i>(in years)</i>	Aggregate Intrinsic Value ^(a) <i>(in thousands)</i>
Options outstanding at January 1, 2017	—	\$ —		
Granted (b)	402,694	183.80		
Exercised	—	—		
Forfeited	—	—		
Expired	—	—		
Options outstanding at September 30, 2017	402,694	183.80	9.82	\$ 24,423
Options exercisable at September 30, 2017	—	\$ —	0	\$ —

(a) The aggregate intrinsic value represents the total pre-tax intrinsic value (the difference between the Company's closing stock price of \$244.45 on the last trading day of the quarter ended September 30, 2017 and the exercise price, multiplied by the number of shares covered by in-the-money options) that would have been received by the option holders had all option holders exercised their options on September 30, 2017. The intrinsic value changes based on the market value of the Company's common stock.

(b) During the nine months ended September 30, 2017, the Company granted stock options to an employee with a weighted average grant date fair value per share of \$142.45, calculated using the Monte Carlo simulation model, which have a vesting date of September 30, 2022.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For purposes of determining stock-based compensation expense, the weighted average grant date fair value per share of the stock options was estimated using the Monte Carlo simulation model, which requires the use of various key assumptions. The weighted average assumptions used are as follows:

Expected term ⁽¹⁾	7.50 years
Expected dividend ⁽²⁾	—
Expected volatility ⁽³⁾	50%
Risk-free interest rate ⁽⁴⁾	2.12%

- (1) The expected term of stock options with a market condition granted was calculated using the "Simplified Method," which utilizes the midpoint between the weighted average time of vesting and the end of the contractual term. This method was utilized for the stock options with market conditions due to a lack of historical exercise behavior by the Company's employees.
- (2) For all stock options with a market condition granted in 2017, no dividends are expected to be paid over the contractual term of the stock options, resulting in a zero expected dividend rate.
- (3) The expected volatility rate is based on the historical volatility of the Company's common stock.
- (4) The risk-free interest rate is specific to the date of grant. The risk-free interest rate is based on U.S. Treasury yields for notes with comparable expected terms as the awards, in effect at the grant date.

Time Vested Restricted Stock Awards with Performance Conditions

On January 2, 2018, 119,015 restricted stock awards with time-vesting and a performance condition will be granted. The terms of these awards were fixed in the approved new compensation agreements in July 2017. In the three months ended September 30, 2017, the Company recorded \$1.3 million in stock-based compensation to reflect the commitment to issue the shares in the consolidated statement of operations and comprehensive income. The performance condition is tied to the Company's operating results during the first six months of 2018. As of September 30, 2017, the performance condition associated with the awards had not been met.

NOTE 9—INCOME TAXES

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	<i>(in thousands, except percentages)</i>			
Income tax expense	\$ (4,292)	\$ (6,729)	\$ (3,109)	\$ (15,099)
Effective tax rate	29.8%	48.0%	10.7%	39.4%

For the three and nine months ended September 30, 2017, the effective tax rate varied from the federal statutory rate of 35% primarily due to a tax benefit of \$0.8 million and \$8.4 million, respectively, recognized for excess tax benefits due to employee exercises of stock options and vesting of restricted stock in accordance with ASU 2016-09. See Note 2 — Significant Accounting Policies — Recent Accounting Pronouncements for additional information.

For the third quarter of 2016, the effective tax rate varied from the federal statutory rate of 35% primarily due to state taxes, including the impact of a reduction in the North Carolina state income tax rates which reduced the value of the Company's deferred tax assets.

For the nine months ended September 30, 2016, the effective tax rate varied from the federal statutory rate of 35% primarily due to the benefit derived from the federal research tax credit, partially offset by state taxes. The federal research tax credit benefit was the result of a study completed during the second quarter of 2016 for the open tax years 2011 through 2015, plus an estimate of the benefit from 2016 research activities.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	<i>(in thousands)</i>			
Income tax expense - excluding excess tax benefit on stock compensation	\$ (5,103)	\$ (6,729)	\$ (11,523)	\$ (15,099)
Excess tax benefit on stock compensation	811	—	8,414	—
Income tax expense	\$ (4,292)	\$ (6,729)	\$ (3,109)	\$ (15,099)

NOTE 10—DEBT**Convertible Senior Notes**

On May 31, 2017, the Company issued \$300.0 million aggregate principal amount of its 0.625% Convertible Senior Notes due June 1, 2022 (the “Notes”) in a private placement. The issuance included \$35.0 million aggregate principal amount of Notes under a 30-day purchase option, solely to cover over-allotments, which was exercised in full. The Notes bear interest at a rate of 0.625% per year, payable semi-annually on June 1 and December 1 of each year, beginning on December 1, 2017. The Notes will mature on June 1, 2022, unless earlier repurchased or converted.

The initial conversion rate of the Notes is 4.8163 shares of Common Stock per \$1,000 principal amount of Notes (which is equivalent to an initial conversion price of approximately \$207.63 per share). The conversion rate will be subject to adjustment upon the occurrence of certain specified events but will not be adjusted for accrued and unpaid interest. In addition, upon the occurrence of a fundamental change prior to the maturity of the Notes, the Company will, in certain circumstances, increase the conversion rate by a specified number of additional shares for a holder that elects to convert the Notes in connection with such fundamental change. Upon conversion, the Notes will settle for cash, shares of the Company’s stock, or a combination thereof, at the Company’s option. It is the intent of the Company to settle the principal amount of the Notes in cash and any conversion premium in shares of its common stock.

The Notes are the Company’s senior unsecured obligations and will rank senior in right of payment to any of the Company’s indebtedness that is expressly subordinated in right of payment to the Notes; equal in right of payment to any of the Company’s unsecured indebtedness that is not so subordinated; effectively junior in right of payment to any of the Company’s secured indebtedness, including borrowings under the Senior Secured Credit Facility, described below, to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) of the Company’s subsidiaries.

Prior to the close of business on the business day immediately preceding February 1, 2022, the Notes will be convertible at the option of the holders thereof only under the following circumstances:

- during any calendar quarter commencing after the calendar quarter ending on September 30, 2017 (and only during such calendar quarter), if the last reported sale price of the common stock for at least 20 trading days (whether or not consecutive) during the 30 consecutive trading day period ending on, and including the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- during the five business day period after any five consecutive trading day period in which, for each trading day of that period, the trading price (as defined in the Notes) per \$1,000 principal amount of Notes for such trading day was less than 98% of the product of the last reported sale price of the Common Stock and the conversion rate on each such trading day; or
- upon the occurrence of specified corporate events including but not limited to a fundamental change.

On or after February 1, 2022, until the close of business on the second scheduled trading day immediately preceding the maturity date of the Notes, holders of the Notes may convert all or a portion of their Notes regardless of the foregoing conditions.

The Company may not redeem the Notes prior to the maturity date and no sinking fund is provided for the Notes. Upon the occurrence of a fundamental change prior to the maturity date of the Notes, holders of the Notes may require the Company to

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

repurchase all or a portion of the Notes for cash at a price equal to 100% of the principal amount of the Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

If the market price per share of the Common Stock, as measured under the terms of the Notes, exceeds the conversion price of the Notes, the Notes could have a dilutive effect, unless the Company elects, subject to certain conditions, to settle the principal amount of the Notes and any conversion premium in cash.

The initial measurement of convertible debt instruments that may be settled in cash are separated into a debt and equity component whereby the debt component is based on the fair value of a similar instrument that does not contain an equity conversion option. The separate components of debt and equity of the Company's Notes were determined using an interest rate of 5.36%, which reflects the nonconvertible debt borrowing rate of the Company at the date of issuance. As a result, the initial components of debt and equity were \$238.4 million and \$61.6 million, respectively.

In the first nine months of 2017, the Company recorded interest expense on the Notes of \$4.7 million which consisted of \$0.6 million associated with the 0.625% coupon rate, \$3.6 million associated with the accretion of the debt discount, and \$0.4 million associated with the amortization of the debt issuance costs. The debt discount will be amortized over the term of the debt.

Financing costs related to the issuance of the Notes were approximately \$9.3 million of which \$7.4 million were allocated to the liability component and are being amortized to interest expense over the term of the debt and \$1.9 million were allocated to the equity component.

As of September 30, 2017, the fair value of the Notes is estimated to be approximately \$398.7 million using the Level 1 observable input of the last quoted market price on September 29, 2017.

A summary of the gross carrying amount, unamortized debt cost, debt issuance costs and net carrying value of the liability component of the Notes are as follows (*in thousands*):

	September 30, 2017	December 31, 2016
Gross carrying amount	\$ 300,000	\$ —
Unamortized debt discount	57,953	—
Debt issuance costs	6,927	—
Net carrying amount	\$ 235,120	\$ —

Convertible Note Hedge and Warrant Transactions

On May 31, 2017, in connection with the issuance of the Notes, the Company entered into Convertible Note Hedge (the "Hedge") and Warrant transactions with respect to the Company's common stock. The Company used approximately \$18.1 million of the net proceeds from the Notes to pay for the cost of the Hedge, after such cost was partially offset by the proceeds from the Warrant transactions.

On May 31, 2017, the Company paid \$61.5 million to the counterparties for the Hedge transactions. The Hedge transactions cover approximately 1.4 million shares of the Company's common stock, the same number of shares initially underlying the Notes, and are exercisable upon any conversion of the Notes. The Hedge Transactions are expected generally to reduce the potential dilution to the Common Stock upon conversion of the Notes and/or offset any cash payments the Company is required to make in excess of the principal amount of the converted Notes, as the case may be, in the event that the market price per share of Common Stock, as measured under the terms of the Hedge transactions, is greater than the strike price of the Hedge transactions, which initially corresponds to the initial conversion price of the Notes, or approximately \$207.63 per share of Common Stock. The Hedge transactions will expire upon the maturity of the Notes.

On May 31, 2017, the Company sold to the counterparties, warrants (the "Warrants") to acquire 1.4 million shares of Common Stock at an initial strike price of \$266.39 per share, which represents a premium of 70% over the reported sale price of the Common Stock of \$156.70 on May 24, 2017. On May 31, 2017, the Company received aggregate proceeds of approximately \$43.4 million from the sale of the Warrants.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

If the market price per share of the Common Stock, as measured under the terms of the Warrants, exceeds the strike price of the Warrants, the Warrants could have a dilutive effect, unless the Company elects, subject to certain conditions, to settle the Warrants in cash.

The Hedge and Warrant transactions are indexed to, and potentially settled in, the Company's common stock and the net cost of \$18.1 million has been recorded as a reduction to additional paid-in capital in the consolidated statement of shareholders' equity.

Senior Secured Revolving Credit Facility

On October 22, 2015, the Company's wholly-owned subsidiary, LendingTree, LLC, entered into a \$125.0 million five-year senior secured revolving credit facility which matures on October 22, 2020 (the "Revolving Credit Facility"). The proceeds of the Revolving Credit Facility can be used to finance the working capital needs, capital expenditures and general corporate purposes, including to finance permitted acquisitions. As of September 30, 2017, the Company does not have any borrowings outstanding under the Revolving Credit Facility.

Up to \$10.0 million of the Revolving Credit Facility will be available for short-term loans, referred to as swingline loans. Additionally, up to \$10.0 million of the Revolving Credit Facility will be available for the issuance of letters of credit. Under certain conditions, the Company will be permitted to add one or more term loans and/or increase revolving commitments under the Revolving Credit Facility up to an aggregate amount of \$50.0 million.

The Company's borrowings under the Revolving Credit Facility bear interest at annual rates that, at the Company's option, will be either:

- a base rate generally defined as the sum of (i) the greater of (a) the prime rate of SunTrust Bank, (b) the federal funds effective rate plus 0.5% and (c) the LIBO rate (defined below) on a daily basis applicable for an interest period of one month plus 1.0% and (ii) an applicable percentage of 1.0% to 2.0% based on the funded debt to consolidated EBITDA ratio; or
- a LIBO rate generally defined as the sum of (i) the rate for Eurodollar deposits in the applicable currency and (ii) an applicable percentage of 2.0% to 3.0% based on the funded debt to consolidated EBITDA ratio.

All swingline loans bear interest at the base rate defined above. Interest on the Company's borrowings are payable quarterly in arrears for base rate loans and on the last day of each interest rate period (but not less often than three months) for LIBO rate loans.

The Revolving Credit Facility contains certain restrictive financial covenants, which include a funded debt to consolidated EBITDA ratio and a consolidated EBITDA to interest expense ratio. In addition, the Revolving Credit Facility contains customary affirmative and negative covenants in addition to events of default for a transaction of this type that, among other things, restrict additional indebtedness, liens, mergers or certain fundamental changes, asset dispositions, dividends, stock repurchases and other restricted payments, transactions with affiliates, sale-leaseback transactions, hedging transactions, loans and investments and other matters customarily restricted in such agreements. The Company was in compliance with all covenants at September 30, 2017.

During the second quarter of 2017, the Company entered into the Second Amendment to Credit Agreement (the "Second Amendment"). Among other things, the Second Amendment modified the original credit agreement to allow for the Notes and the Hedge and Warrant transactions, discussed above. The Second Amendment also increased the restrictive financial covenant for funded debt to consolidated EBITDA ratio. In addition, the Second Amendment also allows the Company to enter into a potential real estate term loan of an aggregate principal amount of no more than (a) \$20.0 million which shall be used to finance all or a portion of the purchase price of certain real estate purchased in December 2016 and located in Charlotte, North Carolina, and (b) \$25.0 million which shall be used to finance post-acquisition improvements to such real estate, related equipment, and related hedging obligations. As of October 26, 2017, the Company has not entered into the real estate term loan.

The Revolving Credit Facility requires LendingTree, LLC to pledge as collateral, subject to certain customary exclusions, 100% of its assets, including 100% of its equity in all of its subsidiaries. The obligations under this facility are unconditionally guaranteed on a senior basis by LendingTree, Inc. and specific subsidiaries of LendingTree, LLC, which guaranties are secured by a pledge as collateral, subject to certain customary exclusions, of 100% of each of such guarantor's assets, including 100% of its equity in all of its subsidiaries.

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The Company is required to pay an unused commitment fee quarterly in arrears on the difference between committed amounts and amounts actually borrowed under the Revolving Credit Facility equal to an applicable percentage of 0.25% to 0.5% per annum based on a funded debt to consolidated EBITDA ratio. The Company is required to pay a letter of credit participation fee and a letter of credit fronting fee quarterly in arrears. The letter of credit participation fee is based upon the aggregate face amount of outstanding letters of credit at an applicable percentage of 2.0% to 3.0% based on the funded debt to consolidated EBITDA ratio. The letter of credit fronting fee is 0.125% per annum on the face amount of each letter of credit.

The Company incurred debt issuance costs of \$1.3 million for the Revolving Credit Facility, which is included in prepaid and other current assets and other non-current assets in the Company's consolidated balance sheet and is being amortized to interest expense over the life of the Revolving Credit Facility of five years.

NOTE 11—CONTINGENCIES

Overview

LendingTree is involved in legal proceedings on an ongoing basis. In assessing the materiality of a legal proceeding, the Company evaluates, among other factors, the amount of monetary damages claimed, as well as the potential impact of non-monetary remedies sought by plaintiffs (e.g., injunctive relief) that may require it to change its business practices in a manner that could have a material and adverse impact on the business. With respect to the matters disclosed in this Note 11, unless otherwise indicated, the Company is unable to estimate the possible loss or range of losses that could potentially result from the application of such non-monetary remedies.

As of September 30, 2017 and December 31, 2016, the Company had a litigation settlement accrual of \$0.6 million and \$0.7 million, respectively, in continuing operations and \$4.0 million and \$4.0 million, respectively, in discontinued operations. The litigation settlement accrual relates to litigation matters that were either settled or a firm offer for settlement was extended, thereby establishing an accrual amount that is both probable and reasonably estimable.

Specific Matters

Intellectual Property Litigation

Zillow

LendingTree v. Zillow, Inc., et al. Civil Action No. 3:10-cv-439. On September 8, 2010, the Company filed an action for patent infringement in the US District Court for the Western District of North Carolina against Zillow, Inc., NexTag, Inc., Quinstreet, Inc., Quinstreet Media, Inc. and Adchemy, Inc. The complaint was amended to include Leadpoint, Inc. d/b/a Securerights on September 24, 2010. The complaint alleged that each of the defendants infringed one or both of the Company's patents-U.S. Patent No. 6,385,594, entitled "Method and Computer Network for Co-Ordinating a Loan over the Internet," and U.S. Patent No. 6,611,816, entitled "Method and Computer Network for Co-Ordinating a Loan over the Internet." The defendants in this action asserted various defenses and counterclaims against the Company, including the assertion by certain of the defendants of counterclaims alleging illegal monopolization via the Company's maintenance of the asserted patents. Defendant NexTag asserted defenses of laches and equitable estoppel. In July 2011, the Company reached a settlement agreement with Leadpoint, Inc., pursuant to which all claims against Leadpoint, Inc. and all counterclaims against the Company by Leadpoint, Inc. were dismissed. In November 2012, the Company reached a settlement agreement with Quinstreet, Inc. and Quinstreet Media, Inc. (collectively, the "Quinstreet Parties"), pursuant to which all claims against the Quinstreet Parties and all counterclaims against the Company by the Quinstreet Parties were dismissed. After an unsuccessful attempt to reach settlement through mediation with the remaining parties, this matter went to trial beginning in February 2014, and on March 12, 2014, the jury returned a verdict. The jury found that the defendants Zillow, Inc., Adchemy, Inc. and NexTag, Inc. did not infringe the two patents referenced above and determined that those patents are invalid due to an inventorship defect, and the court found that NexTag was entitled to defense of laches and equitable estoppel. The jury found in the Company's favor on the defendants' counterclaims alleging inequitable conduct and antitrust violations. Judgment was entered on March 31, 2014. After the court entered judgment, on May 27, 2014, the Company reached a settlement agreement with defendant Adchemy, Inc., including an agreement to dismiss and withdraw all claims, counterclaims, and motions between the Company and Adchemy, Inc. As a result, a joint and voluntary dismissal was filed June 12, 2014 with respect to claims between the Company and Adchemy. The parties filed various post-trial motions; in particular, defendants collectively sought up to \$9.7 million in fees and costs. On October 9, 2014, the court denied the Company's post-trial motion for judgment as a matter of law and denied Zillow's post-trial motions for sanctions and attorneys' fees. The court also

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

denied in part and granted in part NexTag's post-trial motion for attorneys' fees, awarding NexTag a portion of its attorney's fees and costs totaling \$2.3 million, plus interest.

In November 2014, the Company filed a notice of appeal to the U.S. Court of Appeals for the Federal Circuit with respect to the jury verdict concerning Zillow, Inc. and NexTag, Inc. and the award of attorneys' fees. In March 2015, the U.S. Court of Appeals for the Federal Circuit granted the Company's motion to stay appellate briefing pending an *en banc* review by such court of the laches defense in an unrelated patent infringement matter and ruled in favor of Zillow, Inc. on an immaterial amount of costs related to the trial process. In June 2015, the Company reached a settlement agreement for \$1.1 million with defendant NexTag pursuant to which the Company dismissed its appeal of the jury verdict and the award of attorney's fees concerning NexTag, and NexTag dismissed its cross-appeal and claims relating to the jury verdict and the award of attorneys' fees. In July 2015, the stay was lifted on the Company's appeal with respect to the jury verdict concerning Zillow, Inc. The appeal was heard by the U.S. Court of Appeals for the Federal Circuit in June 2016, and in July 2016 the Court determined that certain of the claims of the two patents referenced above were directed to ineligible subject matter and thus such claims were invalid under 35 U.S.C. Section 101. With respect to the remaining claims that the Court did not hold were ineligible, the Court granted a remand to the federal district court to allow LendingTree to file a motion to vacate the judgment of invalidity for incorrect inventorship.

In June 2017, the Federal District Court vacated the invalidity judgment arising from the March 2014 jury verdict. As a result, certain claims of the Company's two issued patents remain valid. The case is now closed and the Company expects no further significant events regarding this litigation.

Legal Matters

Next Advisor Continued, Inc.

Next Advisor Continued, Inc. v. LendingTree, Inc. and LendingTree, LLC, No. 15-cvs-20775 (N.C. Super. Ct.). On November 6, 2015, the plaintiff filed this action against LendingTree, Inc. and LendingTree, LLC (together "LendingTree"). The plaintiff generally alleged that LendingTree breached a non-disclosure agreement and misappropriated trade secrets in the context of a potential business acquisition of the plaintiff by LendingTree. Based upon these allegations, the plaintiff asserted claims for breach of contract, misappropriation of trade secrets and violation of North Carolina Unfair and Deceptive Trade Practices Act. The plaintiff requested money damages, attorneys' fees and injunctive relief.

On December 16, 2015, LendingTree filed its answer to the plaintiff's complaint, denying the material allegations and asserting numerous defenses thereto. In June 2016, the Court granted the plaintiff's motion for preliminary injunction and temporarily ordered, pending trial, that LendingTree cease any utilization of confidential and trade secret information of the plaintiff and cease marketing credit card products via certain third party content marketing platforms. However, LendingTree continued to believe that the plaintiff's allegations lacked merit and to vigorously defend the case. In July 2016, LendingTree filed a notice of interlocutory appeal to the North Carolina Supreme Court with respect to the preliminary injunction, but the interlocutory appeal was dismissed in December 2016. In February 2017, LendingTree filed a motion for partial summary judgment. In June 2017, the court granted LendingTree's motion for partial summary judgment, restricting the duration of any injunction and ruling that the plaintiff is not entitled to recover compensatory damages on any of its claims. On September 14, 2017, LendingTree and the plaintiff finalized a settlement agreement pursuant to which (i) LendingTree defrayed a portion of plaintiff's litigation costs, and (ii) the parties agreed that the injunction would be of no further effect as of January 3, 2018. The Court's order approving the settlement was a final judgment and this matter is otherwise now closed.

Massachusetts Division of Banks

On February 11, 2011, the Massachusetts Division of Banks (the "Division") delivered a Report of Examination/Inspection to LendingTree, LLC, which identified various alleged violations of Massachusetts and federal laws, including the alleged insufficient delivery by LendingTree, LLC of various disclosures to its customers. On October 14, 2011, the Division provided a proposed Consent Agreement and Order to settle the Division's allegations, which the Division had shared with other state mortgage lending regulators. Thirty-four of such state mortgage lending regulators (the "Joining Regulators") indicated that if LendingTree, LLC would enter into the Consent Agreement and Order, they would agree not to pursue any analogous allegations that they otherwise might assert. None of the Joining Regulators have asserted any such allegations.

The proposed Consent Agreement and Order calls for a fine to be allocated among the Division and the Joining Regulators and for LendingTree, LLC to adopt various new procedures and practices. The Company has commenced negotiations toward an acceptable Consent Agreement and Order. It does not believe its mortgage marketplace business violated any federal or state

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

mortgage lending laws; nor does it believe that any past operations of the mortgage business have resulted in a material violation of any such laws. Should the Division or any Joining Regulator bring any actions relating to the matters alleged in the February 2011 Report of Examination/Inspection, the Company intends to defend against such actions vigorously. The range of possible loss is estimated to be between \$0.5 million and \$6.5 million, and an estimated liability of \$0.5 million has been established for this matter in the accompanying consolidated balance sheet as of September 30, 2017.

Litigation Related to Discontinued Operations

Residential Funding Company

Residential Funding Company, LLC v Home Loan Center, Inc., No. 13-cv-3451 (U.S. Dist. Ct., Minn.). On or about December 16, 2013, Home Loan Center, Inc. was served in the above captioned matter. Generally, Residential Funding Company, LLC ("RFC") seeks damages for breach of contract and indemnification for certain residential mortgage loans as well as residential mortgage-backed securitizations ("RMBS") containing mortgage loans. RFC asserts that, beginning in 2008, RFC faced massive repurchase demands and lawsuits from purchasers or insurers of the loans and RMBS that RFC had sold. RFC filed for bankruptcy protection in May 2012. Plaintiff alleges that, after RFC filed for Chapter 11 protection, hundreds of proofs of claim were filed, many of which mirrored the litigation filed against RFC prior to its bankruptcy.

In December 2013, the United States Bankruptcy Court for the Southern District of New York entered an Order confirming the Second Amended Joint Chapter 11 Plan Proposed by Residential Capital, LLC et al. and the Official Committee of Unsecured Creditors. Plaintiff then began filing substantially similar complaints against approximately 80 of the loan originators from whom RFC had purchased loans, including Home Loan Center, in federal and state courts in Minnesota and New York. In each case, Plaintiff claims that the defendant is liable for a portion of the global settlement in RFC's bankruptcy.

Plaintiff asserts two claims against HLC: (1) breach of contract based on HLC's alleged breach of representations and warranties concerning the quality and characteristics of the mortgage loans it sold to RFC (Count One); and (2) contractual indemnification for alleged liabilities, losses, and damages incurred by RFC arising out of purported defects in loans that RFC purchased from HSBC and sold to third parties (Count Two). Plaintiff alleges that the "types of defects" contained in the loans it purchased from HLC included "income misrepresentation, employment misrepresentation, appraisal misrepresentations or inaccuracies, undisclosed debt, and missing or inaccurate documents."

HLC filed a Motion to Dismiss under Rule 12(b)(6) of the Federal Rules of Civil Procedure or, in the alternative, a Motion for More Definite Statement under Rule 12(e). On June 25, 2015 the judge denied HLC's motion.

On July 9, 2015, HLC filed its answer to RFC's complaint, denying the material allegations of the complaint and asserting numerous defenses thereto. Discovery is ongoing in this matter. Plaintiff is seeking damages of \$61.0 million in this action; HLC intends to vigorously defend this action. An estimated liability of \$3.0 million for this matter is included in the accompanying consolidated balance sheet as of September 30, 2017.

Lehman Brothers Holdings, Inc.

Lehman Brothers Holdings Inc. v. 1st Advantage Mortgage, LLC et al., Case No. 08-13555 (SCC), Adversary Proceeding No. 16-01342 (SCC) (Bankr. S.D.N.Y.). In February 2016, Lehman Brothers Holdings, Inc. ("LBHI") filed an Adversary Complaint against Home Loan Center and approximately 149 other defendants (the "Complaint"). The Complaint generally seeks (1) a declaratory judgment that the settlements entered into by LBHI with Fannie Mae and Freddie Mac as part of LBHI's bankruptcy proceedings gave rise to LBHI's contractual indemnification claims against defendants alleged in the Complaint; (2) indemnification from HLC and the other defendants for losses allegedly incurred by LBHI in respect of defective mortgage loans sold by defendants to LBHI or its affiliates; and (3) interest, attorneys' fees and costs incurred by LBHI in the litigation. On March 31, 2017, HLC filed an omnibus motion to dismiss with other defendants. HLC intends to defend this action vigorously. HLC had previously received a demand letter (the "Letter") from LBHI in December 2014 with respect to 64 loans (the "Loans") that LBHI alleges were sold by HLC to Lehman Brothers Bank, FSB ("LBB") between 2004 and 2008 pursuant to a loan purchase agreement (the "LPA") between HLC and LBB. The Letter generally sought indemnification from HLC in accordance with the LPA for certain claims that LBHI alleged it allowed in its bankruptcy with respect to the Loans. An estimated liability of \$1.0 million for this matter is included in the accompanying consolidated balance sheet as of September 30, 2017.

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 12—FAIR VALUE MEASUREMENTS

Other than the 0.625% Convertible Senior Notes and the Warrants, the carrying amounts of the Company's financial instruments are equal to fair value at September 30, 2017. See Note 10—Debt for additional information on the 0.625% Convertible Senior Notes and the Warrants.

Contingent consideration payments related to acquisitions are measured at fair value each reporting period using Level 3 unobservable inputs. The changes in the fair value of the Company's Level 3 liabilities during the nine months ended September 30, 2017 are as follows (*in thousands*):

	Contingent Consideration
Balance at December 31, 2016	\$ 23,100
Transfers into Level 3	—
Transfers out of Level 3	—
Total net (gains) losses included in earnings (realized and unrealized)	20,640
Purchases, sales and settlements:	
Additions	11,318
Payments	(1,000)
Balance at September 30, 2017	\$ 54,058

The contingent consideration liability at September 30, 2017 is the estimated fair value of the earnout payments of the CompareCards, DepositAccounts and SnapCap acquisitions. The Company will make earnout payments ranging from zero to \$45.0 million based on the achievement of certain defined earnings targets for CompareCards, payments ranging from zero to \$9.0 million based on the achievement of defined milestone and performance targets for DepositAccounts, and payments ranging from zero to \$9.0 million based on the achievement of certain defined earnings targets for SnapCap. See Note 5—Business Acquisition for additional information on the contingent consideration for each of these respective acquisitions. The significant unobservable inputs used to calculate the fair value of the contingent consideration are estimated future cash flows for the acquisitions, estimated date and likelihood of an increase in interest rates and the discount rate. Actual results will differ from the projected results and could have a significant impact on the estimated fair value of the contingent considerations. Additionally, as the liability is stated at present value, the passage of time alone will increase the estimated fair value of the liability each reporting period. Any changes in fair value will be recorded in operating income in the consolidated statements of operations and comprehensive income.

NOTE 13—SEGMENT INFORMATION

The Company has one reportable segment.

Mortgage and non-mortgage product revenue is as follows (*in thousands*):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Mortgage products	\$ 73,756	\$ 53,523	\$ 208,209	\$ 164,571
Non-mortgage products	97,738	41,035	248,573	118,990
Total revenue	\$ 171,494	\$ 94,558	\$ 456,782	\$ 283,561

LENDINGTREE, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 14—DISCONTINUED OPERATIONS

The revenue and net loss reported as discontinued operations in the accompanying consolidated statements of operations and comprehensive income are as follows (*in thousands*):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenue	\$ —	\$ 1,834	\$ (750)	\$ 1,835
Loss before income taxes	\$ (1,555)	\$ (1,021)	\$ (4,049)	\$ (4,640)
Income tax benefit	544	357	1,417	1,623
Net loss	\$ (1,011)	\$ (664)	\$ (2,632)	\$ (3,017)

LendingTree Loans

On June 6, 2012, the Company sold substantially all of the operating assets of its LendingTree Loans business for \$55.9 million in cash to a wholly-owned subsidiary of Discover Financial Services ("Discover"). Discover generally did not assume liabilities of the LendingTree Loans business that arose before the closing date, except for certain liabilities directly related to assets Discover acquired. Of the purchase price paid, as of September 30, 2017, \$4.0 million is being held in escrow in accordance with the agreement with Discover for certain loan loss obligations that remain with the Company following the sale. The escrowed amount is recorded as restricted cash as of September 30, 2017.

Significant Assets and Liabilities of LendingTree Loans

Upon closing of the sale of substantially all of the operating assets of the LendingTree Loans business on June 6, 2012, LendingTree Loans ceased to originate consumer loans. Liability for losses on previously sold loans will remain with LendingTree Loans and are discussed below.

Loan Loss Obligations

LendingTree Loans sold loans it originated to investors on a servicing-released basis, so the risk of loss or default by the borrower was generally transferred to the investor. However, LendingTree Loans was required by these investors to make certain representations and warranties relating to credit information, loan documentation and collateral. These representations and warranties may extend through the contractual life of the loan. Subsequent to the loan sale, if underwriting deficiencies, borrower fraud or documentation defects are discovered in individual loans, LendingTree Loans may be obligated to repurchase the respective loan or indemnify the investors for any losses from borrower defaults if such deficiency or defect cannot be cured within the specified period following discovery. In the case of early loan payoffs and early defaults on certain loans, LendingTree Loans may be required to repay all or a portion of the premium initially paid by the investor.

HLC, a subsidiary of the Company, continues to be liable for these indemnification obligations, repurchase obligations and premium repayment obligations following the sale of substantially all of the operating assets of its LendingTree Loans business in the second quarter of 2012.

The following table represents the aggregate loans sold, subsequent settlements and remaining unsettled loans.

	Number of Loans	Original Issue Balance
	<i>(in thousands)</i>	<i>(in billions)</i>
Loans sold by HLC	234	\$ 38.9
Subsequent settlements	(172)	(28.8)
Remaining unsettled balance as of September 30, 2017	62	\$ 10.1

During the fourth quarter of 2015, LendingTree Loans completed a settlement agreement for \$0.6 million with one of the investors to which it had sold loans. This investor accounted for approximately 10% of the total number of loans sold and 12% of the original issue balance. This settlement related to all existing and future losses on loans sold to this investor.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

During the fourth quarter of 2014, LendingTree Loans completed a settlement agreement for \$5.4 million with the largest investor to which it had sold loans. This investor accounted for approximately 40% of both the total number of loans sold and the original issue balance. This settlement related to all existing and future losses on loans sold to this investor.

In the second quarter of 2014, LendingTree Loans completed settlements with two buyers of previously purchased loans.

The Company has been negotiating with certain of the remaining secondary market purchasers to settle any existing and future contingent liabilities, but it may not be able to complete such negotiations on acceptable terms, or at all. Because LendingTree Loans does not service the loans it sold, it does not maintain nor generally have access to the current balances and loan performance data with respect to the individual loans previously sold to investors. Accordingly, LendingTree Loans is unable to determine, with precision, its maximum exposure for breaches of the representations and warranties it made to the investors that purchased such loans.

The Company uses a settlement discount framework for evaluating the adequacy of the reserve for loan losses. This model estimates lifetime losses on the population of remaining loans originated and sold by LendingTree Loans using actual defaults for loans with similar characteristics and projected future defaults. It also considers the likelihood of claims expected due to alleged breaches of representations and warranties made by LendingTree Loans and the percentage of those claims investors estimate LendingTree Loans may agree to repurchase. A settlement discount factor is then applied to the result of the foregoing to reflect publicly-announced bulk settlements for similar loan types and vintages, as well as LendingTree Loans' non-operating status, in order to estimate a range of potential obligation.

The estimated range of remaining loan losses using this settlement discount framework was determined to be \$4.3 million to \$7.9 million at September 30, 2017. The reserve balance recorded as of September 30, 2017 was \$7.6 million. Management has considered both objective and subjective factors in the estimation process, but given current general industry trends in mortgage loans as well as housing prices and market expectations, actual losses related to LendingTree Loans' obligations could vary significantly from the obligation recorded as of the balance sheet date or the range estimated above.

Additionally, LendingTree has guaranteed certain loans sold to two investors in the event that LendingTree Loans is unable to satisfy its repurchase and warranty obligations related to such loans.

Based on historical experience, it is anticipated that LendingTree Loans will continue to receive repurchase requests and incur losses on loans sold in prior years.

The activity related to loss reserves on previously sold loans is as follows (*in thousands*):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Loan loss reserve, beginning of period	\$ 7,554	\$ 8,127	\$ 6,804	\$ 8,127
Provisions	—	(1,834)	750	(1,834)
Charge-offs to reserves	—	—	—	—
Loan loss reserve, end of period	\$ 7,554	\$ 6,293	\$ 7,554	\$ 6,293

The liability for losses on previously sold loans is presented as current liabilities of discontinued operations in the accompanying consolidated balance sheet as of September 30, 2017 and December 31, 2016.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Statement Regarding Forward-Looking Information

This report contains "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. These forward-looking statements also include statements related to our anticipated financial performance, business prospects and strategy; anticipated trends and prospects in the various industries in which our businesses operate; new products, services and related strategies; and other similar matters. These forward-looking statements are based on management's current expectations and assumptions about future events, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. The use of words such as "anticipates," "estimates," "expects," "projects," "intends," "plans" and "believes," among others, generally identify forward-looking statements.

Actual results could differ materially from those contained in the forward-looking statements. Factors currently known to management that could cause actual results to differ materially from those in forward-looking statements include those matters discussed or referenced in Part II, Item 1A. *Risk Factors* included elsewhere in this quarterly report and Part I, Item 1A. *Risk Factors* of the 2016 Annual Report.

Other unknown or unpredictable factors that could also adversely affect our business, financial condition and results of operations may arise from time to time. In light of these risks and uncertainties, the forward-looking statements discussed in this report may not prove to be accurate. Accordingly, you should not place undue reliance on these forward-looking statements, which only reflect the views of LendingTree management as of the date of this report. We undertake 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, except as required by law.

Company Overview

LendingTree, Inc., is the parent of LendingTree, LLC and several companies owned by LendingTree, LLC.

LendingTree operates what we believe to be the leading online loan marketplace for consumers seeking loans, deposit accounts and other credit-based offerings. Our online marketplace provides consumers with access to product offerings from our Network Lenders, including mortgage loans, home equity loans and lines of credit, reverse mortgage loans, auto loans, credit cards, deposit accounts, personal loans, student loans, small business loans and other related offerings. In addition, we offer tools and resources, including free credit scores, that facilitate comparison shopping for these loan and other credit-based offerings. We seek to match consumers with multiple lenders, who can provide them with competing quotes for the product they are seeking. We also serve as a valued partner to lenders seeking an efficient, scalable and flexible source of customer acquisition with directly measurable benefits, by matching the consumer inquiries we generate with these lenders.

Our My LendingTree platform offers a personalized loan comparison-shopping experience by providing free credit scores and credit score analysis. This platform enables us to observe consumers' credit profiles and then identify and alert them to loan and other credit-based opportunities on our marketplace that may be more favorable than the loans they may have at a given point in time. This is designed to provide consumers with measurable savings opportunities over their lifetimes.

In addition to operating our core mortgage business, we are focused on growing our non-mortgage lending businesses and developing new product offerings and enhancements to improve the experiences that consumers and lenders have as they interact with us. By expanding our portfolio of loan and credit-based offerings, we are growing and diversifying our business and sources of revenue. We intend to capitalize on our expertise in performance marketing, product development and technology, and to leverage the widespread recognition of the LendingTree brand to effect this strategy.

We believe the consumer and small business financial services industry is in the early stages of a fundamental shift to online product offerings, similar to the shift that started in retail and travel many years ago and is now well established. We believe that like retail and travel, as consumers continue to move towards online shopping and transactions for financial services, suppliers will increasingly shift their product offerings and advertising budgets toward the online channel. We believe the strength of our brands and of our lender network place us in a strong position to continue to benefit from this market shift.

The LendingTree Loans business is presented as discontinued operations in the accompanying consolidated balance sheets, consolidated statements of operations and comprehensive income and consolidated cash flows for all periods presented. Except for the discussion under the heading "Discontinued operations," the analysis within Management's Discussion and Analysis of Financial Condition and Results of Operations reflects our continuing operations.

Convertible Senior Notes and Hedge and Warrant Transactions

On May 31, 2017, we issued \$300.0 million aggregate principal amount of our 0.625% Convertible Senior Notes due June 1, 2022 and, in connection therewith, entered into Convertible Note Hedge and Warrant transactions with respect to our common stock. For more information, see Note 10—Debt, in the notes to the consolidated financial statements included elsewhere in this report.

Recent Business Acquisitions

On September 19, 2017, we acquired certain assets of Snap Capital LLC, which does business under the name SnapCap for \$11.9 million in cash at closing and contingent consideration payments of up to \$9.0 million through March 31, 2020. SnapCap is a tech-enabled online platform, which connects business owners with lenders offering small business loans, lines of credit and merchant cash advance products through a concierge-based sales approach.

On June 20, 2017, we acquired the membership interests of Camino Del Avion, LLC, which does business under the name MagnifyMoney for \$29.6 million cash consideration at the closing of the transaction. 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.

On June 14, 2017, we acquired substantially all of the assets of Deposits Online, LLC, which does business under the name DepositAccounts.com (“DepositAccounts”) for \$24.0 million in cash at closing and contingent consideration payments of up to \$9.0 million through June 30, 2020. DepositAccounts is a leading consumer-facing media property in the depository industry and is one of the most comprehensive sources of depository deals and analysis on the Web, covering all major deposit product categories through editorial content, programmatic rate tables and user-generated content.

On November 16, 2016, we acquired Iron Horse Holdings, LLC, which does business under the name CompareCards for \$80.7 million in cash at closing and contingent consideration payments of up to \$22.5 million for each of 2017 and 2018, subject to achieving specific growth targets. CompareCards is a leading online source for side-by-side credit card comparison shopping. CompareCards provides consumers with one centralized location for pertinent credit card information needed to find the best card for their needs.

These acquisitions continue our diversification strategy.

Acquisition of North Carolina Office Properties

In December 2016, we completed the acquisition of two office buildings in Charlotte, North Carolina, for \$23.5 million in cash. We intend to utilize one or both buildings in the future as our principal executive offices, and any unused space will continue to be occupied by tenants.

Seasonality

Revenue in our lending business is subject to cyclical and seasonal trends. Home sales (and purchase mortgages) typically rise during the spring and summer months and decline during the fall and winter months, while refinancing and home equity activity is principally driven by mortgage interest rates as well as real estate values.

We anticipate revenue in our newer products to be cyclical as well; however, we have limited historical data to predict the nature and magnitude of this cyclicity. Based on industry data, we anticipate as our personal loan product matures we will experience less consumer demand during the fourth and first quarters of each year. We also anticipate less consumer demand for credit cards in the fourth quarter of each year. Other factors affecting our business include macro factors such as credit availability in the market, interest rates, the strength of the economy and employment.

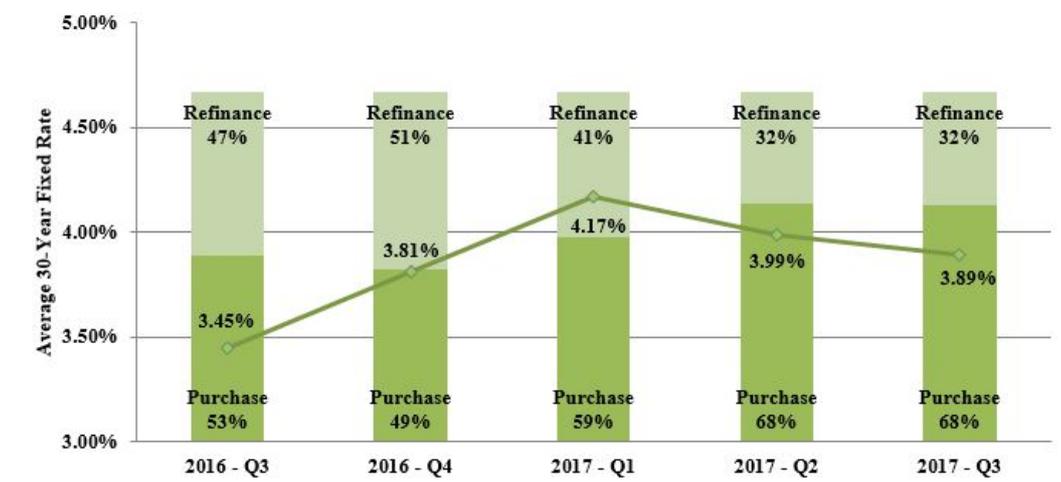
Recent Mortgage Interest Rate Trends

Interest rate and market risks can be substantial in the mortgage lead generation business. Short-term fluctuations in mortgage interest rates primarily affect consumer demand for mortgage refinancings, while long-term fluctuations in mortgage interest rates, coupled with the U.S. real estate market, affect consumer demand for new mortgages. Consumer demand, in turn, affects lender demand for mortgage leads from third-party sources. Typically, a decline in mortgage interest rates will lead to reduced lender demand, as there are more consumers in the marketplace seeking financing and, accordingly, lenders receive more organic lead

volume. Conversely, an increase in mortgage interest rates will typically lead to an increase in lender demand, as there are fewer consumers in the marketplace and, accordingly, the supply of organic mortgage lead volume decreases.

According to Freddie Mac, 30-year mortgage interest rates have fallen to a monthly average of 3.8% in September 2017. On a quarterly basis, 30-year mortgage interest rates in the third quarter of 2017 averaged 3.89%, as compared to 3.45% in the third quarter of 2016 and 3.99% in the second quarter of 2017.

HISTORICAL MIX OF MORTGAGE ORIGINATION DOLLARS



Typically, as mortgage interest rates rise, there are fewer consumers in the marketplace seeking refinancings and, accordingly, the mix of mortgage origination dollars moves towards purchase mortgages. According to Mortgage Bankers Association ("MBA") data, total refinance origination dollars remained at 32% of total mortgage origination dollars, while purchase origination dollars remained at 68% in the third quarter of 2017 from the second quarter of 2017.

Looking forward, MBA is projecting 30-year mortgage interest rates to increase slightly through the end of the year. According to MBA projections, the mix of mortgage origination dollars will move towards refinance mortgages in the fourth quarter of 2017 with the refinance share representing 36% for 2017.

The U.S. Real Estate Market

The health of the U.S. real estate market and interest rate levels are the primary drivers of consumer demand for new mortgages. Consumer demand, in turn, affects lender demand for purchase mortgage leads from third-party sources. Typically, a strong real estate market will lead to reduced lender demand for leads, as there are more consumers in the marketplace seeking financing and, accordingly, lenders receive more organic lead volume. Conversely, a weaker real estate market will typically lead to an increase in lender demand, as there are fewer consumers in the marketplace seeking mortgages.

According to the National Association of Realtors ("NAR"), 2017 started with the fastest pace of existing home sales in almost a decade. However, pending home sales declined in August for the fifth time in six months due to limited supply. The NAR expects inventory to remain low for 2017 and forecasts a decrease of 0.2% in existing home sales from 2016.

Results of Operations for the Three and Nine Months ended September 30, 2017 and 2016

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2017	2016	\$ Change	% Change	2017	2016	\$ Change	% Change
	<i>(Dollars in thousands)</i>							
Mortgage products	\$ 73,756	\$ 53,523	\$ 20,233	38 %	\$ 208,209	\$ 164,571	\$ 43,638	27 %
Non-mortgage products	97,738	41,035	56,703	138 %	248,573	118,990	129,583	109 %
Revenue	171,494	94,558	76,936	81 %	456,782	283,561	173,221	61 %
Costs and expenses:								
Cost of revenue <i>(exclusive of depreciation and amortization shown separately below)</i>	4,388	3,392	996	29 %	12,143	10,329	1,814	18 %
Selling and marketing expense	118,538	62,819	55,719	89 %	320,930	192,416	128,514	67 %
General and administrative expense	17,920	9,008	8,912	99 %	41,561	26,820	14,741	55 %
Product development	4,805	3,718	1,087	29 %	12,492	11,384	1,108	10 %
Depreciation	1,798	1,286	512	40 %	5,309	3,458	1,851	54 %
Amortization of intangibles	3,817	166	3,651	2,199 %	9,034	263	8,771	3,335 %
Change in fair value of contingent consideration	2,501	—	2,501	N/A	20,640	—	20,640	N/A
Severance	—	—	—	— %	404	72	332	461 %
Litigation settlements and contingencies	272	19	253	1,332 %	961	109	852	782 %
Total costs and expenses	154,039	80,408	73,631	92 %	423,474	244,851	178,623	73 %
Operating income	17,455	14,150	3,305	23 %	33,308	38,710	(5,402)	(14)%
Other income (expense), net:								
Interest expense, net	(2,804)	(141)	2,663	1,889 %	(4,048)	(424)	3,624	855 %
Other (expense) income	(228)	—	228	N/A	(215)	—	215	N/A
Income before income taxes	14,423	14,009	414	3 %	29,045	38,286	(9,241)	(24)%
Income tax expense	(4,292)	(6,729)	(2,437)	(36)%	(3,109)	(15,099)	(11,990)	(79)%
Net income from continuing operations	10,131	7,280	2,851	39 %	25,936	23,187	2,749	12 %
Loss from discontinued operations, net of tax	(1,011)	(664)	347	52 %	(2,632)	(3,017)	(385)	(13)%
Net income and comprehensive income	\$ 9,120	\$ 6,616	\$ 2,504	38 %	\$ 23,304	\$ 20,170	\$ 3,134	16 %

Revenue

Revenue increased in the third quarter and first nine months of 2017 compared to the third quarter and first nine months of 2016 due to increases in our non-mortgage products of \$56.7 million and \$129.6 million, respectively, and in our mortgage products of \$20.2 million and \$43.6 million, respectively.

Our non-mortgage products include the following non-mortgage lending products: personal loans, credit cards, home equity loans and lines of credit, reverse mortgage loans, auto loans, small business loans and student loans. Our non-mortgage products also include deposit accounts, home improvement referrals and other credit products such as credit repair and debt settlement. Many of our non-mortgage products are not individually significant to revenue. The increase in revenue from our non-mortgage products in the third quarter and first nine months of 2017 from the third quarter and first nine months of 2016 is primarily due to increases in our credit cards, home equity, and personal loans products.

Revenue from our credit cards product increased \$32.8 million to \$39.4 million in the third quarter of 2017 from \$6.6 million in the third quarter of 2016, or 500%, and increased \$86.6 million to \$110.1 million in the first nine months of 2017 from \$23.5 million in the first nine months of 2016, or 369%, primarily due to the contribution from the CompareCards acquisition, completed on November 16, 2016.

Revenue from our personal loans product increased \$7.8 million to \$25.4 million in the third quarter of 2017 from \$17.6 million in the third quarter of 2016, or 44%, primarily due to increases in the number of consumers completing request forms as a result of increases in lender demand and corresponding increases in selling and marketing efforts. Revenue from our personal

loans product increased \$11.1 million to \$63.0 million in the first nine months of 2017 from \$51.9 million in the first nine months of 2016, or 21%, primarily due to increases in the number of consumers completing request forms as a result of increases in lender demand and corresponding increases in selling and marketing efforts, partially offset by decreases in revenue earned per consumer. Certain of our online personal loan lenders experienced well-publicized challenges in 2016, in particular, general unavailability of capital, increased pricing demanded by investors of personal loans, which in some cases led to reductions in marketing spend, and tightening in underwriting standards.

For the periods presented, no other non-mortgage product represented more than 10% of revenue, however certain other non-mortgage products experienced notable increases. Revenue from our home equity product increased by \$9.0 million in the third quarter of 2017 compared to the third quarter of 2016 and increased by \$20.6 million in the first nine months of 2017 compared to the first nine months of 2016 due to increases in the number of consumers completing request forms as a result of increases in lender coverage and lender demand, corresponding increases in selling and marketing efforts, and increased revenue earned per consumer.

The increase in revenue from our mortgage products in the third quarter and first nine months of 2017 compared to the third quarter and first nine months of 2016 is primarily due to an increase in revenue from both our purchase and refinance products. The revenue from our purchase product increased \$10.4 million in the third quarter of 2017 from the third quarter of 2016 and increased \$27.5 million in the first nine months of 2017 from the first nine months of 2016. The revenue from our refinance product increased \$9.9 million in the third quarter of 2017 from the third quarter of 2016 and \$16.1 million in the first nine months of 2017 from the first nine months of 2016. The increase in revenue from our mortgage product is primarily due to an increase in revenue earned per consumer. Additionally, the number of consumers completing request forms increased, due to an increase in lender demand and a corresponding increase in selling and marketing efforts.

Cost of revenue

Cost of revenue consists primarily of costs associated with compensation and other employee-related costs (including stock-based compensation) relating to internally-operated customer call centers, third-party customer call center fees, credit scoring fees, credit card fees, website network hosting and server fees.

Cost of revenue increased in the third quarter of 2017 from the third quarter of 2016, primarily due to increases of \$0.5 million in compensation and benefits as a result of increases in headcount.

Cost of revenue as a percentage of revenue decreased from 4% for the third quarter of 2016 to 3% for the third quarter of 2017.

Cost of revenue increased in the first nine months of 2017 from the first nine months of 2016, primarily due to increases of \$1.4 million in compensation and benefits as a result of increases in headcount.

Cost of revenue as a percentage of revenue decreased from 4% for the first nine months of 2016 to 3% for the first nine months of 2017.

Selling and marketing expense

Selling and marketing expense consists primarily of advertising and promotional expenditures and compensation and other employee-related costs (including stock-based compensation) for personnel engaged in sales or marketing functions. Advertising and promotional expenditures primarily include online marketing, as well as television, print and radio spending. Advertising production costs are expensed in the period the related ad is first run.

The increases in selling and marketing expense in the third quarter and first nine months of 2017 compared to the third quarter and first nine months of 2016 were primarily due to increases in advertising and promotional expense of \$54.2 million and \$126.8 million, respectively, as discussed below.

Advertising and promotional expense is the largest component of selling and marketing expense, and is comprised of the following:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2017	2016	\$ Change	% Change	2017	2016	\$ Change	% Change
	<i>(Dollars in thousands)</i>							
Online	\$ 98,080	\$ 48,982	\$ 49,098	100%	\$ 271,531	\$ 150,075	\$ 121,456	81%
Broadcast	12,372	8,251	4,121	50%	29,776	25,888	3,888	15%
Other	1,968	1,003	965	96%	4,575	3,167	1,408	44%
Total advertising expense	\$ 112,420	\$ 58,236	\$ 54,184	93%	\$ 305,882	\$ 179,130	\$ 126,752	71%

Revenue is driven by lender demand for our products, which is matched to corresponding consumer loan requests. We adjust our selling and marketing expenditures dynamically in relation to anticipated revenue opportunities in order to ensure sufficient consumer inquiries to profitably meet lender demand. An increase in a product's revenue is generally met by a corresponding increase in marketing spend, and conversely a decrease in a product's revenue is generally met by a corresponding decrease in marketing spend. This relationship exists for both mortgage and non-mortgage products.

We increased our advertising expenditures in the third quarter and first nine months of 2017 compared to the third quarter and first nine months of 2016 in order to generate additional consumer inquiries to meet the increased demand of lenders on our marketplace.

We will continue to adjust selling and marketing expenditures dynamically in relation to anticipated revenue opportunities.

General and administrative expense

General and administrative expense consists primarily of compensation and other employee-related costs (including stock-based compensation) for personnel engaged in finance, legal, tax, corporate information technology, human resources and executive management functions, as well as facilities and infrastructure costs and fees for professional services.

General and administrative expense increased in the third quarter of 2017 from the third quarter of 2016, primarily due to increases in compensation and benefits of \$6.4 million as a result of increases in headcount and long term equity awards granted to the CEO in the third quarter of 2017, which awards have both time and significant performance-based vesting conditions. We recently made additional long-term awards to certain members of our leadership team and expect additional long-term awards to other members of our leadership team in the fourth quarter of 2017 or the first quarter of 2018. General and administrative expense is expected to increase in future periods due to the non-cash compensation expense related to these grants. This increase in general and administrative expense is expected to result in material reductions in net income from continuing operations in future periods compared to historical periods. The amount and timing of these effects will depend on the nature of the equity awards that the independent Compensation Committee of the Board of Directors determines to grant and the assumptions used to determine associated stock-based compensation expense. For additional information regarding the awards granted in the third quarter of 2017, see Note 8 —Stock-Based Compensation included in Part I, Item 1. *Financial Statements*. Non-cash compensation expense is excluded from Adjusted EBITDA. See "Adjusted EBITDA" below.

General and administrative expense as a percentage of revenue remained consistent at 10% in the third quarter of 2017 and the third quarter of 2016.

General and administrative expense increased in the first nine months of 2017 from the first nine months of 2016, primarily due to increases in compensation and benefits of \$10.7 million as a result of increases in headcount and the long term equity awards granted to the CEO in the third quarter of 2017 discussed above.

General and administrative expense as a percentage of revenue remained consistent at 9% in the first nine months of 2017 and the first nine months of 2016.

Contingent consideration

During the third quarter and first nine months of 2017, we recorded \$2.5 million and \$20.6 million, respectively, of contingent consideration expense due to an adjustment in the estimated fair value of the earnout payments related to the CompareCards and DepositAccounts acquisitions. The contingent consideration expense for the CompareCards acquisition was \$1.9 million and \$20.0 million, respectively, in the third quarter and first nine months of 2017, primarily due to an increased probability of achievement

of certain defined earning targets for CompareCards. The contingent consideration expense for the DepositAccounts acquisition was \$0.6 million in both the third quarter and first nine months of 2017 and was primarily due to an increased probability of achievement of certain defined revenue targets for deposits products.

Product development

Product development expense consists primarily of compensation and other employee-related costs (including stock-based compensation) and third-party labor costs that are not capitalized, for employees and consultants engaged in the design, development, testing and enhancement of technology.

Product development expense increased in the third quarter and first nine months of 2017 compared to the third quarter and first nine months of 2016, as we continued to invest in internal development of new and enhanced features, functionality and business opportunities that we believe will enable us to better and more fully serve consumers and lenders. Product development expenses are comprised primarily of compensation and other employee-related costs.

Income tax expense

For the third quarter and first nine months of 2017, the effective tax rate varied from the federal statutory rate of 35% primarily due to a tax benefit of \$0.8 million and \$8.4 million, respectively, recognized for excess tax benefits due to employee exercises of stock options and vesting of restricted stock in accordance with ASU 2016-09. See Note 2 — Significant Accounting Policies in Part I, Item 1. *Financial Statements* for additional information.

For the third quarter of 2016, the effective tax rate varied from the federal statutory rate of 35% primarily due to state taxes, including the impact of a reduction in the North Carolina state income tax rates which reduced the value of our deferred tax assets.

For the first nine months of 2016, the effective tax rate varied from the federal statutory rate of 35% primarily due to the benefit derived from the federal research tax credit, partially offset by state taxes. The federal research tax credit benefit was the result of a study completed during the second quarter of 2016 for the open tax years 2011 through 2015, plus an estimate of the benefit from 2016 research activities.

There have been no changes to our valuation allowance assessment for the third quarter of 2017.

Discontinued operations

Losses from discontinued operations are attributable to losses associated with the LendingTree Loans business, the sale of which was completed on June 6, 2012. Losses from discontinued operations were primarily due to litigation settlements and contingencies and legal fees associated with ongoing legal proceedings.

Adjusted EBITDA

We report Adjusted EBITDA as a supplemental measure to GAAP. This measure is the primary metric by which we evaluate the performance of our businesses, on which our marketing expenditures and internal budgets are based and by which management and many employees are compensated. We believe that investors should have access to the same set of tools that we use in analyzing our results. This non-GAAP measure should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results. We provide and encourage investors to examine the reconciling adjustments between the GAAP and non-GAAP measures discussed below.

Definition of Adjusted EBITDA

We report Adjusted EBITDA as net income from continuing operations adjusted to exclude interest, income tax, amortization of intangibles and depreciation, and to further exclude (1) non-cash compensation expense, (2) non-cash impairment charges, (3) gain/loss on disposal of assets, (4) restructuring and severance expenses, (5) litigation settlements and contingencies and legal fees for certain patent litigation, (6) acquisitions and dispositions income or expense (including with respect to changes in fair value of contingent consideration) and (7) one-time items. Adjusted EBITDA has certain limitations in that it does not take into account the impact to our statement of operations of certain expenses, including depreciation, non-cash compensation and acquisition-related accounting. We endeavor to compensate for the limitations of the non-GAAP measures presented by also providing the comparable GAAP measures with equal or greater prominence and descriptions of the reconciling items, including

quantifying such items, to derive the non-GAAP measures. These non-GAAP measures may not be comparable to similarly titled measures used by other companies.

One-Time Items

Adjusted EBITDA is adjusted for one-time items, if applicable. Items are considered one-time in nature if they are non-recurring, infrequent or unusual and have not occurred in the past two years or are not expected to recur in the next two years, in accordance with SEC rules. For the periods presented in this report, there are no adjustments for one-time items.

Non-Cash Expenses that are Excluded from Adjusted EBITDA

Non-cash compensation expense consists principally of expense associated with grants of restricted stock, restricted stock units and stock options. These expenses are not paid in cash, and we include the related shares in our calculations of fully diluted shares outstanding. Upon settlement of restricted stock units, exercise of certain stock options or vesting of restricted stock awards, the awards may be settled, on a net basis, with us remitting the required tax withholding amount from our current funds.

Amortization of intangibles are non-cash expenses relating primarily to intangible assets acquired through acquisitions. At the time of an acquisition, the intangible assets of the acquired company, such as purchase agreements, technology and customer relationships, are valued and amortized over their estimated lives.

The following table is a reconciliation of net income from continuing operations to Adjusted EBITDA (*in thousands*).

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net income from continuing operations	\$ 10,131	\$ 7,280	\$ 25,936	\$ 23,187
Adjustments to reconcile to Adjusted EBITDA:				
Amortization of intangibles	3,817	166	9,034	263
Depreciation	1,798	1,286	5,309	3,458
Severance	—	—	404	72
Loss on disposal of assets	364	121	673	388
Non-cash compensation	7,938	2,348	13,068	7,410
Change in fair value of contingent consideration	2,501	—	20,640	—
Acquisition expense	320	362	1,357	499
Litigation settlements and contingencies	272	19	961	109
Interest expense, net	2,804	141	4,048	424
Rental depreciation and amortization of intangibles	486	—	1,011	—
Income tax expense	4,292	6,729	3,109	15,099
Adjusted EBITDA	\$ 34,723	\$ 18,452	\$ 85,550	\$ 50,909

Financial Position, Liquidity and Capital Resources

General

As of September 30, 2017, we had \$345.2 million of cash and cash equivalents and \$4.1 million of restricted cash and cash equivalents, compared to \$91.1 million of cash and cash equivalents and \$4.1 million of restricted cash and cash equivalents as of December 31, 2016.

In May 2017, we issued \$300.0 million of our 0.625% Convertible Senior Notes for net proceeds of \$290.8 million. We used approximately \$18.1 million of the net proceeds to enter into Convertible Note Hedge and Warrant transactions. For additional information on the Convertible Senior Notes and the Convertible Note Hedge and Warrant transactions, see Note 10—Debt, in the notes to the consolidated financial statements included elsewhere in this report.

In September 2017, we acquired certain assets of SnapCap for \$11.9 million in cash at closing and potential future contingent consideration payments of up to \$9.0 million through March 31, 2020, subject to achieving specific targets.

In June 2017, we acquired the membership interests of MagnifyMoney for \$29.6 million cash consideration at the closing of the transaction.

In June 2017, we acquired substantially all of the assets of DepositAccounts for \$24.0 million in cash at closing and potential future contingent consideration payments of up to \$9.0 million through June 30, 2020, subject to achieving specified targets.

In November 2016, we acquired CompareCards for \$80.7 million cash at closing and potential future contingent consideration payments of up to \$22.5 million for each of 2017 and 2018, subject to achieving specified targets. See Note 5—Business Acquisitions in the notes to the consolidated financial statements included elsewhere in this report for additional information for these acquisitions.

We expect our cash and cash equivalents and cash flows from operations to be sufficient to fund our operating needs for the next twelve months and beyond. Our revolving credit facility described below is an additional potential source of liquidity.

Senior Secured Revolving Credit Facility

On October 22, 2015, we established a \$125.0 million five-year Senior Secured Revolving Credit Facility which matures on October 22, 2020 (the “Revolving Credit Facility”). The proceeds of the Revolving Credit Facility can be used to finance working capital needs, capital expenditures and general corporate purposes, including to finance permitted acquisitions. As of October 26, 2017, we do not have any borrowings outstanding under the Revolving Credit Facility.

For additional information on the Revolving Credit Facility, see Note 10—Debt, in the notes to the consolidated financial statements included elsewhere in this report.

Cash Flows from Continuing Operations

Our cash flows attributable to continuing operations are as follows:

	Nine Months Ended September 30,	
	2017	2016
	<i>(in thousands)</i>	
Net cash provided by operating activities	\$ 65,083	\$ 38,885
Net cash used in investing activities	(72,320)	(10,067)
Net cash provided by (used in) financing activities	263,710	(51,648)

Cash Flows from Operating Activities

Our largest source of cash provided by our operating activities is revenues generated by our mortgage and non-mortgage products. Our primary uses of cash from our operating activities include advertising and promotional payments. In addition, our uses of cash from operating activities include compensation and other employee-related costs, other general corporate expenditures, litigation settlements and contingencies and income taxes.

Net cash provided by operating activities attributable to continuing operations increased in the first nine months of 2017 from the first nine months of 2016 primarily due to an increase in revenue, partially offset by an increase in selling and marketing expense. Additionally, there was a net decrease in cash from changes in working capital primarily driven by changes in accounts receivable and income taxes, partially offset by changes in accounts payable, accrued expenses and other current liabilities.

Cash Flows from Investing Activities

Net cash used in investing activities attributable to continuing operations in the first nine months of 2017 of \$72.3 million consisted primarily of the acquisition of MagnifyMoney for \$29.5 million, the acquisition of DepositAccounts for \$25.0 million, the acquisition of SnapCap for \$11.9 million and capital expenditures of \$5.9 million related to internally developed software.

Net cash used in investing activities attributable to continuing operations in the first nine months of 2016 of \$10.1 million consisted primarily of capital expenditures of \$8.0 million primarily related to internally developed software and the acquisition of an aircraft and \$4.5 million for the acquisition of SimpleTuition, partially offset by a \$2.5 million decrease in restricted cash due to the release of funds in escrow for the surety bonds due to a reduction in collateral requirements.

Cash Flows from Financing Activities

Net cash provided by financing activities attributable to continuing operations in the first nine months of 2017 of \$263.7 million consisted primarily of \$300.0 million of gross proceeds from the issuance of convertible senior notes and \$43.4 million of proceeds from the sale of warrants in connection with the convertible senior notes, partially offset by \$61.5 million for the payment of convertible note hedge transactions, \$9.3 million for the payment of convertible senior note issuance costs and \$10.0 million for the repurchase of our stock.

Net cash used in financing activities attributable to continuing operations in the first nine months of 2016 of \$51.6 million consisted primarily of the repurchase of our stock of \$48.5 million and \$3.1 million in withholding taxes paid by us upon surrender of shares to satisfy obligations on equity awards.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements other than our operating lease obligations and funding commitments pursuant to our surety bonds, none of which have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

New Accounting Pronouncements

For information regarding new accounting pronouncements, see Note 2- Significant Accounting Policies, in Part I, Item 1 *Financial Statements*.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Other than our Revolving Credit Facility, which currently has no borrowings outstanding, we do not have any financial instruments that are exposed to significant market risk. We maintain our cash and cash equivalents in bank deposits and short-term, highly liquid money market investments. A hypothetical 100-basis point increase or decrease in market interest rates would not have a material impact on the fair value of our cash equivalents securities, or our earnings on such cash equivalents, but would have an effect on the interest paid on borrowings under the Revolving Credit Facility, if any. As of October 26, 2017, there were no borrowings under the Revolving Credit Facility.

Fluctuations in interest rates affect consumer demand for new mortgages and the level of refinancing activity which, in turn, affects lender demand for mortgage leads. Typically, a decline in mortgage interest rates will lead to reduced lender demand for leads from third-party sources, as there are more consumers in the marketplace seeking refinancings and, accordingly, lenders receive more organic lead volume. Conversely, an increase in mortgage interest rates will typically lead to an increase in lender demand for third-party leads, as there are fewer consumers in the marketplace and, accordingly, the supply of organic mortgage lead volume decreases. See also the risk factor "Adverse conditions in the primary and secondary mortgage markets, as well as the general economy, could materially and adversely affect our business, financial condition and results of operations," in Part I, Item 1A (Risk Factors) in our 2016 Annual Report.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), management, with the participation of our principal executive officer (our Chief Executive Officer) and principal financial officer (our Chief Financial Officer), evaluated, as of the end of the period covered by this report, the effectiveness of our disclosure controls and procedures as defined in Exchange Act Rule 13a-15(e). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective, as of September 30, 2017, to reasonably ensure that information required to be disclosed and filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified, and that management will be timely alerted to material information required to be included in our periodic reports filed with the Securities and Exchange Commission.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the quarter ended September 30, 2017 that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

PART II—OTHER INFORMATION**Item 1. Legal Proceedings**

In the ordinary course of business, we are party to litigation involving property, contract, intellectual property and a variety of other claims. The amounts that may be recovered in such matters may be subject to insurance coverage. We have provided information about certain legal proceedings in which we are involved in Part I, Item 3. *Legal Proceedings* of our 2016 Annual Report and updated that information in Note 11—Contingencies to the consolidated financial statements included elsewhere in this report.

Item 1A. Risk Factors

There have been no material changes to the risk factors included in Part II, Item 1A. Risk Factors of our quarterly report on Form 10-Q for the quarter ended June 30, 2017 and Part I, Item 1A. *Risk Factors* of our 2016 Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**Issuer Purchases of Equity Securities**

In each of January 2010, May 2014, January 2016 and February 2016, the board of directors authorized and we announced a stock repurchase program which allowed for the repurchase of up to \$10.0 million, \$10.0 million, \$50.0 million and \$40.0 million, respectively, of our common stock. At September 30, 2017, approximately \$38.7 million remains authorized for share repurchase under this program. Under this program, we can repurchase stock in the open market or through privately-negotiated transactions. We have used available cash to finance these repurchases. We will determine the timing and amount of any additional repurchases based on our evaluation of market conditions, applicable SEC guidelines and regulations, and other factors. This program may be suspended or discontinued at any time at the discretion of our board of directors. During the quarter ended September 30, 2017, 42,153 shares of common stock were repurchased under the stock repurchase program. As of October 26, 2017, approximately \$38.7 million remains authorized for share repurchase.

Additionally, the LendingTree Fifth Amended and Restated 2008 Stock and Award Incentive Plan and the LendingTree 2017 Inducement Grant Plan allow employees to forfeit shares of our common stock to satisfy federal and state withholding obligations upon the exercise of stock options, the settlement of restricted stock unit awards and the vesting of restricted stock awards granted to those individuals under the plans. During the quarter ended September 30, 2017, 2,587 shares were purchased related to these obligations under the LendingTree Fifth Amended and Restated 2008 Stock and Award Incentive Plan and no shares have yet been purchased related to these obligations under the LendingTree 2017 Inducement Grant Plan. The withholding of those shares does not affect the dollar amount or number of shares that may be purchased under the stock repurchase program described above.

The following table provides information about the company's purchases of equity securities during the quarter ended September 30, 2017.

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽²⁾	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs <i>(in thousands)</i>
7/1/17 - 7/31/17	243	\$ 183.48	—	\$ 48,748
8/1/17 - 8/31/17	1,953	\$ 229.04	—	\$ 48,748
9/1/17 - 9/30/17	42,544	\$ 237.31	42,153	\$ 38,747
Total	44,740	\$ 236.66	42,153	\$ 38,747

(1) During July 2017, August 2017 and September 2017, 243 shares, 1,953 shares and 391 shares, respectively (totaling 2,587 shares), were purchased to satisfy federal and state withholding obligations of our employees upon the settlement of restricted stock unit awards, all in accordance with our Fifth Amended and Restated 2008 Stock and Award Incentive Plan, as described above.

(2) See the narrative disclosure above the table for further description of our publicly announced stock repurchase program.

Item 5. Other Information

Approved Compensation Arrangement & Employment Amendment

On October 22, 2017, the Compensation Committee (“Committee”) of our Board of Directors approved new compensation arrangements in the form of a term sheet (the “Term Sheet”) with Neil Salvage, our President. The Term Sheet contemplates that we will in the near-term enter into a new employment agreement with Mr. Salvage to replace his current letter agreement dated November 28, 2016. Mr. Salvage will continue to serve in his current roles. His new employment agreement will have a four-year term ending October 31, 2021, although employment is “at will” and may be terminated by either us or Mr. Salvage at any time.

The Term Sheet provides that Mr. Salvage will receive an annual base salary of \$450,000, and he is eligible to receive a target annual incentive of 100% of his base salary. The Term Sheet further provides that Mr. Salvage is eligible to participate in employee benefits programs (including paid time off and participation in the Company’s 401(k) plan). In connection with his new employment arrangement, Mr. Salvage received 25,309 restricted stock units and stock options to purchase 49,821 shares of common stock, each of which vest in four equal installments beginning on October 22, 2018. In addition to continued service over the 4-year vesting period, vesting of the restricted stock unit award is subject to a performance condition as follows: our company must achieve either (a) Adjusted EBITDA of at least \$1 million in the first quarter of 2018 or (b) aggregate Adjusted EBITDA for the first half of 2018 in excess of \$2 million. These awards are expected to comprise the entirety of Mr. Salvage’s long-term incentive compensation through October 31, 2021. For two years after his employment has terminated, Mr. Salvage will be obligated to comply with non-compete and non-soliciting of employees and customers restrictions. If Mr. Salvage’s employment is terminated by us without cause or if he resigns his employment for good reason, he will be eligible to receive an aggregate cash amount equal to his then-annual base salary paid in installments over a one-year period and he will vest in equity awards scheduled to vest within 9 months of the termination date (subject to Mr. Salvage providing a release of claims and also subject to cessation of cash severance if he secures new employment). If there is a change in control, Mr. Salvage will immediately become fully vested in all his outstanding equity awards. In addition, if there is a change in control and during the 12-month period following such change in control, Mr. Salvage’s employment is terminated by us without cause or by Mr. Salvage for good reason, Mr. Salvage will receive a severance payment equal to two years of base salary.

On October 22, 2017, the Committee amended the terms of J.D. Moriarty’s employment as previously disclosed in Form 8-K filed September 6, 2017, to provide for an anticipated four-year term of employment (although employment is “at will” and may be terminated by either us or Mr. Moriarty at any time). We expect that we will in the near-term enter into a new employment agreement with Mr. Moriarty to reflect these amended terms and to replace his current letter agreement dated March 29, 2017. In connection with this extension, Mr. Moriarty received 5,583 restricted stock units and stock options to purchase 10,416 shares of common stock, each of which vest in a single installment on October 22, 2021. This award and the awards previously granted to Mr. Moriarty are expected to comprise the entirety of Mr. Moriarty’s long-term incentive compensation through August 31, 2021. For two years after his employment has terminated, Mr. Moriarty will be obligated to comply with non-compete and non-soliciting of employees and customers restrictions. If on or after December 3, 2017 Mr. Moriarty’s employment is terminated by us without cause or if he resigns his employment for good reason, he will be eligible to receive an aggregate cash amount equal to his then-annual base salary paid in installments over a one-year period. Upon termination by us without cause or resignation by Mr. Moriarty for good reason, he will also vest in equity awards scheduled to vest within 9 months of the termination date. All such benefits upon termination without cause or resignation for good reason are subject to Mr. Moriarty providing a release of claims and also subject to cessation of cash severance if he secures new employment. If there is a change in control, Mr. Moriarty will immediately become fully vested in all his outstanding equity awards. In addition, if there is a change in control and during the 12-month period following such change in control, Mr. Moriarty’s employment is terminated by us without cause or by Mr. Moriarty for good reason, Mr. Moriarty will receive a severance payment equal to two years of base salary.

This disclosure is provided in lieu of disclosure in Item 5.02 of Form 8-K, in accordance with SEC rules.

Assignment and Assumption of Spinco Agreement

On October 26, 2017, our board of directors approved an Assignment and Assumption Agreement which permits Liberty Interactive Corporation (f/k/a Liberty Media Corporation) (“Liberty”) to assign its rights and obligations under the Spinco Agreement between Liberty and us (“Spinco Agreement”) to General Communication, Inc. (to be renamed GCI Liberty, Inc., “SplitCo”) in connection with a contemplated reorganization transaction between Liberty and SplitCo (the “Liberty Reorganization”). The Liberty Reorganization includes Liberty contributing its subsidiaries holding our common stock, as well as other assets and liabilities of Liberty and its subsidiaries attributed to its Ventures Group, to SplitCo and then splitting SplitCo off to the stockholders of Liberty’s Liberty Ventures Series A and Series B common stock. If the Liberty Reorganization is consummated, we expect SplitCo to continue the operations of Liberty with respect to its ownership of our common stock. The Assignment and Assumption Agreement was also approved by a majority of the “Qualified Directors” (as that term is defined in the Spinco Agreement).

The Assignment and Assumption Agreement also provides that following the Liberty Reorganization, neither Liberty nor its affiliates may acquire beneficial ownership of our equity securities other than the acquisition of less than 1% of our outstanding equity securities through the acquisition of or investments in third parties holding such equity securities. SplitCo will be subject to the present restrictions in the Spinco Agreement limiting the beneficial ownership of it and its affiliates to 34.9% of our voting power.

The Assignment and Assumption Agreement also modifies certain of the limited circumstances in which Liberty and its affiliates (or following the Liberty Reorganization, SplitCo and its affiliates) would have limited relief from the standstill restrictions under the Spinco Agreement. The Spinco Agreement provides that in the event a third party discloses beneficial ownership of our common stock exceeding 20% and our board of directors does not within 10 business days of such announcement take certain defensive actions, Liberty and its affiliates (or following the Liberty Reorganization, SplitCo and its affiliates) are relieved of certain standstill obligations to the extent reasonably necessary to permit Liberty (or following the Liberty Reorganization SplitCo) to commence and consummate an offer to acquire all of the outstanding equity securities of our company. The Assignment and Assumption Agreement provides that the percentage threshold of ownership triggering this limited relief from standstill obligations will be 30% solely with respect to ownership by Douglas R. Lebda, his immediate family members acquiring securities directly or indirectly from Mr. Lebda, his estate and certain family-controlled entities (collectively, the “Lebda Group”). Further, the 30% threshold for the Lebda Group will be calculated on the basis of outstanding shares held by the Lebda Group and will not include securities that the Lebda Group may acquire upon the conversion, exercise, redemption or exchange of warrants, options or other convertible securities. The foregoing modification will not be applicable to the extent that it is publicly disclosed that any member of the Lebda Group has formed or become a member of a “group” (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act) with any person not a member of the Lebda Group.

For further discussion of the Spinco Agreement, please see our definitive proxy statement filed with the SEC on April 28, 2017.

As of June 6, 2017, Liberty beneficially owned 27.0% of our common stock and as of April 21, 2017, Douglas R. Lebda beneficially owned 20.8% of our common stock. Liberty has (and following consummation of the Liberty Reorganization, SplitCo will have) the right to designate two directors of our board in accordance with the Spinco Agreement.

This disclosure is provided in lieu of disclosure in Item 1.01 of Form 8-K, in accordance with SEC rules.

Item 6. Exhibits

Exhibit	Description	Location
3.1	Amended and Restated Certificate of Incorporation of LendingTree, Inc.	Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed August 25, 2008
3.2	Third Amended and Restated By-laws of LendingTree, Inc.	Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed December 31, 2014
10.1	Amendment to Employment Agreement dated August 30, 2017, between Gabriel Dalporto and LendingTree, Inc.	†
10.2	Offer Letter and updated Term Sheet, between John D. Moriarty and LendingTree, LLC	†
10.3	Employment Agreement, dated September 20, 2017, between Douglas R. Lebda and LendingTree, Inc. and LendingTree, LLC	†
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	†
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	†
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	††
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	††
101.INS	XBRL Instance Document	†††
101.SCH	XBRL Taxonomy Extension Schema Document	†††
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	†††
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	†††
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	†††
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	†††

† Filed herewith

†† This certification is being furnished solely to accompany this report pursuant to 18 U.S.C. 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934 and is not to be incorporated by reference into any filing of the registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

††† Furnished herewith. Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment (this "*Amendment*"), made as of the 30th day of August 2017 (the "*Amendment Date*"), is to the Employment Agreement, dated as of March 11, 2015, (the "*Employment Agreement*"), by and between LendingTree, Inc., a Delaware corporation (the "*Company*"), and Gabriel Dalporto, an individual (the "*Executive*"). The Company, LendingTree, LLC, and Executive are together the "*Parties*" and each is a "*Party*". LendingTree, LLC ("*LTLLC*"), which as of the Amendment Date is a wholly-owned subsidiary of the Company) and the Company are collectively the "*Company Group*".

W I T N E S S E T H:

WHEREAS, LTLLC is the employer of Executive;

WHEREAS, Executive is currently serving as Chief Financial Officer of the Company;

WHEREAS, Executive and the Company are also parties to a Change in Control Letter Agreement, dated December 10, 2013 (the "CiC Letter");

WHEREAS, Executive wishes to resign voluntarily from his current position and assume a different role within the Company Group;

WHEREAS, in accordance with Section 18 of the Employment Agreement, the Parties desire to amend certain provisions in the Employment Agreement to implement the foregoing resignation and make other revisions; and

WHEREAS, the Parties now wish to enter into this Amendment on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth, the Parties have agreed and do hereby agree as follows:

1. **Amendments.** Effective as of the Amendment Date, the Employment Agreement is amended as provided herein. Unless otherwise stated, all section number references are to sections in the Employment Agreement. Except as otherwise defined in this Amendment, the capitalized terms in this Amendment shall have the same meaning as such terms have in the Employment Agreement.

(a) In Section 1, the following language entirely replaces the first sentence: "LendingTree, LLC (the Employer's wholly-owned subsidiary) shall employ and Executive agrees to be employed as a "Senior Advisor" to the Employer's Chief Executive Officer and in such role as Senior Advisor, Executive shall not be an officer of either Employer or LendingTree, LLC. Executive shall report to the Employer's Chief Executive Officer or his designee. Certain rights or obligations of the Employer under this Agreement may be asserted or satisfied by LendingTree, LLC."

(b) The following language entirely replaces Section 2(a): "(a) Term. Executive's employment shall be governed by the terms of this Agreement for the period beginning on the Effective Date and ending February 6, 2018, unless earlier terminated as provided herein (the "Term"). If not earlier terminated, Executive's employment shall automatically end by virtue of his voluntary resignation without Good Reason at the end of the Term."

(c) Section 2(b) is entirely deleted.

(d) In Section 3(a), the following language entirely replaces the first sentence: "Base salary, paid pursuant to Employer's normal payroll practices, at an annual rate of \$350,000 or such other rate as may be established prospectively by the Compensation Committee of the Employer's Board of Directors (the "Compensation Committee") from time to time ("Base Salary")."

(e) In Section 5(b), the following language entirely replaces the sentences providing the definition of Good Reason: "Good Reason" shall mean the occurrence of any of the following without Executive's written consent: (i) a material reduction in Executive's annual Base Salary; or (ii) relocation of Executive's principal place of business more than 50 miles from the San Francisco, California metropolitan area. In order to resign his employment for Good Reason, Executive must notify Employer in writing within fifteen (15) days of the initial existence of any event falling under (i) - (ii) and such notice shall describe in detail the facts and circumstances explaining why Executive believes a Good Reason event has occurred. Employer shall then have sixty (60) days following its receipt of such notice to cure or remedy such alleged Good Reason event such that Good Reason shall not be deemed to exist for such event. If the event remains u

ncured or is not remedied by Employer within such sixty (60) day period and if Executive's employment has not otherwise been terminated, then a Qualifying Termination shall automatically occur on the first business day following the end of such sixty (60) day cure/remedy period."

(f) Section 5(b)(iv) is entirely deleted. Additionally in Section 5(b), the following language is entirely deleted: "All Options that vest pursuant to this subsection (iv) shall remain exercisable only to the extent permitted under the grant terms of such Options. All other unvested RSUs and Options issued to Executive pursuant to the Plan and which are not covered by the foregoing clauses (a) and (b) shall terminate without consideration as of the date of such Qualifying Termination. Additionally, if there is no Release of Claims Effective Date then the RSUs or Options that were covered by the foregoing clauses (a) and (b) shall terminate without consideration as of the 61st day following the Qualifying Termination.)"

(g) Section 6 shall be deleted in its entirety and marked as "Reserved."

2. **Change in Control.** Should a Change of Control (as defined below) occur during the Term, all equity in the Company issued to the Executive will immediately fully vest. A "Change of Control" results when: (i) any person or entity who is not a controlling shareholder as of the date of this Amendment becomes a beneficial owner, directly or indirectly, of securities of the Company representing fifty percent or more of the total voting power of all of the Company's then outstanding voting securities, (ii) a merger or consolidation of the Company in which the Company's voting securities immediately prior to the merger or consolidation do not represent, or are not converted into securities that represent, a majority of the voting power of all voting securities of the surviving entity immediately after the merger or consolidation, or (iii) a sale of all or substantially all of the assets of the Company or a liquidation or dissolution of the Company. The CiC Letter is hereby terminated and of no further force or effect.

3. **Scope.** Except as otherwise provided in this Amendment, the provisions of the Employment Agreement shall continue in full force and effect on and after the Amendment Date. The Parties expressly agree that this Amendment, whether or not executed, does not constitute "Good Reason" under the Employment Agreement.

4. **Governing Law; Jurisdiction.** The validity, construction, interpretation and enforceability of this Amendment and the capacity of the parties shall be determined and governed by the laws of the State of North Carolina, without regard to the conflict of law rules contained therein. Any litigation under this Amendment shall be brought by either Party exclusively in Mecklenburg County, North Carolina. As such, the Parties irrevocably consent to the jurisdiction of the courts in Mecklenburg County, North Carolina (whether federal or state) for all disputes related to this Amendment and irrevocably consent to service via nationally recognized overnight carrier, without limiting other service methods allowed by applicable law. In addition, the Parties irrevocably waive any right to a trial by jury in any action related to this Amendment.

5. **Counterparts.** This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Company Group has caused this Amendment to the Employment Agreement to be executed and delivered by its duly authorized officer and Executive has executed and delivered this Amendment to the Employment Agreement in each case as of the Amendment Date.

LENDINGTREE, INC.

By: /s/ Claudette Parham
Name: Claudette Parham
Title: Chief Human Resources Officer

LENDINGTREE, LLC

By: /s/ Claudette Parham
Name: Claudette Parham
Title: Chief Human Resources Officer

EXECUTIVE

By: /s/ Gabriel Dalporto
Name: Gabriel Dalporto

March 29, 2017

John D. Moriarty
143 Reade St., Apt 9C
New York, NY 10013

Dear J.D.,

It is with great pleasure that I extend to you an offer of employment for the position of Senior Vice President, Corporate Development with LendingTree, LLC ("Company"), located in Charlotte, North Carolina. We are excited about having you join us!

If you choose to accept our offer of employment as set forth in this letter agreement, you will report directly to Doug Lebda, Chairman and CEO, and you will work remotely with frequent travel. Your employment with the Company will begin on June 5, 2017 at 9:00 AM in the Company's Charlotte office.

This letter agreement contains a number of important details regarding your offer of employment. In connection with your offer of employment, you and the Company agree on the following terms:

Base Salary: You will receive an initial annual base salary of \$390,000.00 (paid at a bi-weekly rate of \$15,000.00). Your annual base salary is subject to adjustment by the Company from time to time and is payable in accordance with the Company's customary payroll practices, as may be amended from time to time.

Bonus: You will be eligible to receive an annual incentive bonus with a target of 60% of your base salary. Payouts can be greater than or less than target and are a function of individual and Company performance as well as management discretion and may not be awarded in each payment period. You must be actively employed by the Company on the date bonuses are paid in order to receive any payment for which you are otherwise eligible. Please note that all applicable deductions will be made from bonus checks, such as 401(k) contributions (if any), Federal and State taxes, etc.

Sign-on Bonus: Provided that you sign this letter agreement and begin work with the Company, you will be eligible to receive a sign-on bonus in the amount of \$500,000.00 (the "Sign-on Bonus"), half of which will be paid with your first pay check and the second half six months thereafter. In the event you voluntarily leave the Company (or the Company terminates your employment for Cause as defined below) less than 12 months from your first day of employment, you agree to promptly reimburse the Company for the full pre-tax withholding amount of the Sign-on Bonus that was paid to you and also that any unpaid portion of the Sign-on Bonus will be forfeited and will not be paid to you. Please note that all applicable deductions will be taken from the Sign-on Bonus amount (Federal and State taxes, etc.). You must be actively employed by the Company on the date that an installment of the Sign-on Bonus is due and payable in order to receive it.

Equity: Subject to the approval of the Compensation Committee of the Board of Directors of LendingTree, Inc., under the Fourth Amended and Restated LendingTree, Inc. 2008 Stock and Annual Incentive Plan (the "Plan"), you will, as soon as practicable thereafter, receive an equity compensation award in the amount of \$5,000,000.00 based upon the closing price of the Company's stock on the grant date. The award will be comprised of approximately 70% of the dollar amount in Restricted Stock Units ("RSUs") and 30% of the dollar amount in Stock Options ("Options"). The exact number of LendingTree, Inc. common shares subject to the RSUs and Options will be determined by LendingTree, Inc. at the time of grant. If approved, you will receive an award notice providing the details of your grant (including the Terms and Conditions), and an account will be established for you at Morgan Stanley, the Plan administrator. Detailed information on your award, as well as the Terms and Conditions and the Plan, will be available for your review on the Morgan Stanley website. Your grant will be governed by the award notice, the Terms and Conditions, and the Plan, and you understand and agree that those documents will supersede the summary description in this section for all purposes. The Company retains the right to condition any or all such awards on your adherence to any other requirements or restrictions provided to you in writing, including without limitation the Covenants (as defined below) and any confidentiality obligations. Please review all of this documentation carefully for a more complete description of your grant.

In addition, you will be considered for an equity compensation grant in February 2018, at the sole discretion of the Company.

Benefits: You will be eligible to participate in the Company's benefits plans including medical, dental, vision, group life insurance, disability and other benefits effective the first day of your employment, on the same basis as other full-time personnel and in accordance with the eligibility provisions of each plan. The Company reserves the right to modify or discontinue its compensation and benefits programs at any time (including without limitation paid time off and retirement benefits). You will receive access to

detailed benefits and employee resource information after you commence employment. In the event of a conflict between a statement made in this letter agreement and the terms and conditions of the Company's applicable policies and/or benefits plans, the actual text of the policy or plan will govern.

Paid Time Off: After you have completed 60 days of employment as a regular full-time employee, you will be eligible to take reasonable amounts of time off as determined and authorized by your manager in your manager's discretion, and in accordance with the Company's policies then in effect.

Retirement: You will be eligible to participate in the Company's Retirement Savings Plan (a 401(k) plan) on your commencement of employment, according to the terms and eligibility provisions of the plan. Generally, employees may contribute between one percent (1%) and fifty percent (50%) of pay on a pre-tax basis and between one percent (1%) and ten percent (10%) on an after-tax basis. As a convenience, approximately 30 days after your date of hire, you will be automatically enrolled in the Plan with a pre-tax deferral rate of three percent (3%) of your eligible earnings, contributed via payroll deduction. You may opt out at any time, even before the first deduction is taken, by contacting the Company's Benefits Department.

Severance: Your employment with the Company is "at-will," and may be terminated by you or by the Company at any time. If your employment is terminated by the Company on or after the 181st day following your Start Date without Cause (as defined below) and for a reason other than your inability to perform your essential job functions due to a disability (subject to applicable law), you will be eligible to receive (i) an aggregate cash amount equal to your annual base salary at the time your employment terminates (the "Cash Severance"); and (ii) payment of premiums for continuation of health care coverage under COBRA for a period equal to one (1) year from the loss of coverage at the same level in effect at the time of termination of your employment ("COBRA Continuation"), provided that you elect COBRA continuation coverage; provided, however, that if terminated without cause prior to the 181st Day, you shall receive an amount equal to [the number of days you were employed by the Company divided by 180] multiplied by [any remaining unpaid portion of the signing bonus], payable on the same date you would have received such remaining signing bonus had you remained employed.

As a condition to receiving the Cash Severance and COBRA Continuation, you must execute (and not revoke, if applicable) a waiver and general release of claims agreement (a "Release"), in a form prescribed by the Company, within forty-five (45) days following the termination of your employment, or else your eligibility to receive the Cash Severance and COBRA Continuation shall immediately become null and void. If such Release becomes effective by its own terms within not more than 55 days after your termination of employment, then the first Cash Severance installment (in an amount equal to one-sixth (1/6) of the total Cash Severance) will be paid to you on the 60th day after termination of your employment and, for each of the ten months thereafter, you will receive the amount of one-twelfth (1/12) of the Cash Severance each month. It is intended that any amounts payable hereunder shall comply with or be exempt from Section 409A of the Internal Revenue Code of 1986 ("Section 409A") (including under Treasury Regulation §§ 1.409A-1(b)(4) ("short-term deferrals") and (b)(9) ("separation pay plans," including the exceptions under subparagraph (iii) and subparagraph (v)(D)) and other applicable provisions of Treasury Regulation §§ 1.409A-1 through A-6). Moreover, no portion of the foregoing Cash Severance or COBRA Continuation shall be considered as creditable "compensation" under any pension, savings, or other benefit plan maintained by the Company, unless specifically provided for under the applicable plan documents.

Should you obtain other employment or are otherwise compensated for services during the one-year period immediately following your termination of employment, the Company's obligation to provide COBRA Continuation shall cease and the Company's obligation to make Cash Severance payments to you will be reduced dollar for dollar by the gross amount of any such other compensation you receive. During this one-year period, you agree to inform the Company in writing promptly of your employment status and any compensation paid or to be paid to you or on your behalf. Moreover, should you violate any Covenant set forth in this letter agreement, or your confidentiality obligations to the Company as set forth in this letter agreement or in any separately executed agreement, any obligation of the Company to make any Cash Severance payment to you in excess of a lump sum of \$500.00, less applicable taxes and withholdings, shall immediately cease. The Company will notify you in writing if it believes you are in breach of a Covenant or confidentiality agreement.

"Cause" is defined as: fraud, dishonesty, theft, embezzlement, misconduct by you that is (or could reasonably be expected to be) injurious to the Company or any of its affiliates, conviction of, or entry of a plea of guilty or *nolo contendere* to, a crime that constitutes a felony or crime involving moral turpitude, competition with the Company or any of its affiliates, unauthorized use of any trade secrets or confidential information of the Company or any of its affiliates, a material violation of any policy, code, or standard of ethics applicable to you, a material breach of any of your duties (fiduciary or otherwise), your disregard of lawful instructions of the Company, or, following written notice and fifteen calendar days to cure, your excessive and/or unexcused absenteeism unrelated to a disability, your breach of this letter agreement, or the neglect by you of the duties assigned to you or failure to act, all as determined by the Company in its sole and absolute discretion. Upon termination of your employment for Cause: (i) no further base salary will be paid to you for any time after the date of termination and no annual bonus will be paid to

you after the date of termination, (ii) you will forfeit any earned but unpaid annual bonus relating to a previously completed performance year, (iii) you will not be eligible to receive any annual bonus relating to the performance year in which your employment terminates, (iv) if your termination date occurs before the first anniversary of your commencement of employment then you must promptly repay the above Sign-on Bonus and any unpaid portion of the Sign-on Bonus will not be paid to you, (v) you will forfeit any accrued but unused paid time off, and (vi) your outstanding LendingTree, Inc. equity compensation awards shall continue to be governed by their terms and conditions, except as modified in this letter agreement.

Change in Control: You may receive benefits described in a change in control letter issued by the Company to certain executives of the Company, as the same may be revised from time to time (the "CIC Letter"). In the event the conditions for you to receive severance benefits under the CIC Letter occur (disregarding the contingencies relating to a general release of claims in favor of the Company and restrictive covenants to be included therein), you will be entitled to receive the severance benefits described in the CIC Letter (subject to the contingencies stated therein), in lieu of the Cash Severance described in the preceding section of this letter agreement. The prohibitions on Competitive Activity (as defined below) and solicitations of customers, vendors, and employees set forth below will continue to apply notwithstanding any lesser restrictions set forth in the CIC Letter. If and to the extent that you are otherwise entitled to receive severance benefits under the CIC letter as opposed to the Cash Severance described hereinabove, your receipt of any such severance benefit in excess of Five Hundred and No/100 Dollars (\$500.00), less applicable taxes and withholdings, is, in addition to any requirements and contingencies set forth in the CIC Letter, expressly conditioned upon your strict compliance with all Covenants (as defined below) set forth in this letter agreement, and your confidentiality obligations to the Company as set forth in this letter agreement or in any separately executed agreement.

Section 409A: For purposes of Section 409A, each of the payments that may be made under this letter agreement shall be deemed to be a separate payment. You and the Company agree to negotiate in good faith to make amendments to this letter, as the parties mutually agree are necessary or desirable to avoid the imposition of taxes, penalties or interest under Section 409A. Neither you nor the Company shall have the right to accelerate or defer the delivery of any such payments or benefits except (i) where payment may be made within a certain period of time, the timing of payment within such period will be in the sole discretion of the Company, and (ii) to the extent specifically permitted or required by Section 409A. To the extent any nonqualified deferred compensation payment to you could be paid in one or more of your taxable years depending upon you completing certain employment-related actions, then any such payments will commence or occur in the later taxable year to the extent required by Section 409A. With respect to the time of payments of any amounts under the letter that are "deferred compensation" subject to Section 409A, references in this letter to "termination of employment" (and substantially similar phrases) shall mean "separation from service" within the meaning of Section 409A. Notwithstanding anything in this letter to the contrary, if you are considered a "specified employee" under Section 409A upon your separation from service and if payment of any amounts on account of your separation from service under this letter is required to be delayed for a period of six months after separation from service in order to avoid taxation under Section 409A, payment of such amounts shall be delayed as required by Section 409A, and the accumulated amounts shall be paid in a lump sum payment, without interest, within five business days after the end of the six-month delay period. If you die during the six month delay period prior to the payment of benefits, the amounts withheld on account of Section 409A shall be paid to the personal representative of your estate within 60 days after the date of your death. While it is intended that all payments and benefits provided to you under this letter or otherwise will be exempt from or comply with Section 409A, the Company makes no representation or covenant to ensure that such payments and benefits are exempt from or compliant with Section 409A. The Company will have no liability to you or any other party if a payment or benefit under this letter or otherwise is challenged by any taxing authority or is ultimately determined not to be so exempt or compliant. You further understand and agree that you will be entirely responsible for any and all taxes imposed on you as a result of this letter.

The Company reserves the right to change the terms and conditions of your employment, including but not limited to demotion, promotion, transfer, compensation, benefits, duties, and location of work; provided, however, that notwithstanding the foregoing, any changes to this letter agreement must be agreed in writing by both parties. Neither this letter agreement nor any other written or verbal communications are intended to create a contract of employment for a specified period of time, or any other promise of long-term employment. All employment with the Company is at-will and either you or the Company may conclude the employment relationship at any time, with or without cause or advance notice. This "at-will" employment relationship can only be modified by an express written agreement signed by an authorized officer of the Company. You agree that your employment with the Company, and the compensation and benefits set forth herein (including without limitation the Sign-on Bonus), provides sufficient consideration to support your Covenants (as defined below), obligations, and promises under this letter agreement.

Your covenants: By signing this letter agreement, you agree and acknowledge that you will not, while employed by the Company and for the one (1) year period immediately following the date of your cessation of employment with the Company (the "Cessation Date"), do any of the following (each, a "Covenant" and collectively, the "Covenants"):

a. Engage or attempt to engage in any Competitive Activity (as defined below) within the Prohibited Territory (as defined below), or materially assist anyone else in engaging or attempting to engage in Competitive Activity within the Prohibited Territory.

i. "Competitive Activity" means engaging in the performance or attempted performance (whether for your own benefit or for, on behalf of, as an employee of, as an independent contractor of, or at the request of any other entity or individual), in the Prohibited Territory, of the same or substantially similar material activities performed in the course and scope of your duties for the Company during the last twelve (12) months of employment with the Company, in a manner or role that directly competes or directly and materially assists others in competing with the Company's Business (as defined below). Notwithstanding the preceding, owning the stock or options to acquire stock totaling less than 5% of the outstanding shares in a public company shall not constitute, by itself, Competitive Activity.

ii. "Business" means: (a) a business of marketing, selling, and/or providing services related to internet-based loan brokerage or online lead generation for financial services products and/or home services products; and (b) the business engaged in by the Company as of your last day of employment with the Company.

iii. "Prohibited Territory" means the United States of America.

b. Solicit or induce, attempt to solicit or induce, or assist any other person or entity in soliciting, inducing, or attempting to solicit or induce any customers with whom you have had direct business dealing at any time during the twelve (12) month period immediately preceding the Cessation Date (including the Cessation Date) as part of your work for the Company, to be customers of products or services that are competitive with the products or services of the Company.

c. Solicit or induce, attempt to solicit or induce, or assist any other person or entity in soliciting, inducing, or attempting to solicit or induce any employee of the Company, or any individual who was employed by the Company at any time during the twelve (12) month period immediately preceding the Cessation Date (including the Cessation Date), to become employed by an entity other than the Company or to cease his/her employment with the Company.

d. Solicit or induce, or attempt to solicit or induce, any supplier or vendor of the Company to cease any contractual relationship with the Company, to discontinue or limit its relationship with the Company in any manner, to not continue supplying products or services to the Company, or to alter in any way the terms or conditions under which such products or services are provided to the Company.

e. Solicit or induce, or attempt to solicit or induce, any entity that was a merger or acquisition target of the Company at any time during the twelve (12) month period immediately preceding the Cessation Date (including the Cessation Date) of which you had knowledge or awareness in connection with your employment with the Company, to cease any discussions with the Company regarding a merger or acquisition, to discontinue or limit its relationship with the Company in any manner, or to enter into a merger or other acquisition with any other company engaged in the Business in the Prohibited Territory.

By signing this letter agreement, you understand, acknowledge, and agree that the above Covenants are fair and necessary to protect important legitimate business interests of the Company, that they are narrowly tailored to protect the Company's legitimate business interests, that they are reasonable as to function and duration, and that they will not prevent you from obtaining future work or earning a living. You also understand and agree that if you do not adhere to these Covenants, the Company will have the right (among other things) to seek enforcement and remedy of them without the requirement of posting a bond or other security, and you will forfeit anything of value other than any base salary for work already performed, including by way of illustration any unpaid incentive bonus, any severance payment, and any equity compensation awards, such as the RSUs and Options referenced above. You also agree that for each of your covenants in this subsection, the one (1) year period of any such covenant shall be tolled, and shall be increased, by and in the amount of any time during which you are in breach of that specific covenant.

Proprietary Information of Others: It is the Company's policy to respect all trade secrets and confidential information of other entities, including without limitation any entity where our employees may previously have been employed. Accordingly, you promise that you have not at any time, and will not in the future: (i) disclose, expose, or otherwise make available to the Company, (ii) use in the course and scope of your employment with the Company, or on behalf of or for the benefit of the Company, or (iii) induce or attempt to induce the Company to use, any trade secrets or other confidential information belonging to any entity other than the Company.

This offer of employment is contingent upon:

- Full compliance with the Immigration Reform and Control Act of 1986 (I9) which requires new employees to provide documentation/identification to establish both identity and work authorization **within 3 days of their hire.**

NOTICE: Federal law requires all employers to verify the identity and employment eligibility of all persons hired to work in the United States. This employer will provide the Social Security Administration (SSA) and, if necessary, the Department of Homeland Security (DHS), with information from each new employee's Form I-9 to confirm work authorization. IMPORTANT: If the Government cannot confirm that you are authorized to work, this employer is required to provide you written instructions and an opportunity to contact SSA and/or DHS before taking adverse action against you, including terminating your employment. Employers may not use E-Verify to pre-screen job applicants or to re-verify current employees and may not limit or influence the choice of documents presented for use on the Form I-9. In order to determine whether Form I-9 documentation is valid, this employer uses E-Verify's photo screening tool to match the photograph appearing on some permanent resident and employment authorization cards with the official U.S. Citizenship and Immigration Services' (USCIS) photograph. If you believe that your employer has violated its responsibilities under this program or has discriminated against you during the verification process based upon your national origin or citizenship status, please call the Office of Special Counsel at 1-800-255-7688 (TDD: 1-800-237-2515). For more information on E-Verify, please contact DHS at: 1-888-464-4218.

- Successful completion of criminal background check, credit check (if applicable), references, employment/ education verifications.
- Your execution of an agreement concerning the confidential information and certain intellectual property rights of the Company, in a form provided by the Company, which you are required to sign before you begin your employment.

You will be reimbursed your reasonable legal fees incurred in the negotiation and finalization of this agreement up to a cap of \$20,000.00, which shall be paid to you within thirty (30) days of your submission of a final bill evidencing your payment of such costs.

This letter agreement contains the entire agreement between you and the Company concerning the subject matter set forth herein, and supersedes and replaces all prior oral or written agreements, arrangements, or understandings regarding the subject matter set forth herein.

If you choose to accept this offer of employment pursuant to the terms set forth above, please before April 14, 2017, sign below and scan/email to me, and return the original, signed letter agreement to Talent Acquisition on or before your first day of employment.

We are excited to have you as a member of our team and know you will find your new role challenging, exciting and rewarding. Congratulations - and welcome to the team!

Sincerely,

/s/ Claudette Parham
Claudette Parham
Chief People Officer

Agreed and Accepted:

/s/ John D. Moriarty
John D. Moriarty

4/8/2017
Date

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement"), dated as of September 20, 2017 (the "Agreement Date"), is entered into by and between Douglas R. Lebda (the "Employee") and LendingTree, Inc. (the "Company") and LendingTree, LLC ("LTLLC" which as of the Agreement Date is a wholly-owned subsidiary of the Company; LTLLC and the Company are collectively the "Company Group").

WHEREAS, Employee is currently serving as Chairman and Chief Executive Officer of the Company;

WHEREAS, Employee and the Company were parties to an Employment Agreement, dated January 9, 2014 (the "Prior Agreement") which expired on January 9, 2017;

WHEREAS, Employee and the Company are parties to a Change of Control Letter Agreement, dated March 26, 2010 (the "Prior CiC Agreement");

WHEREAS, on July 25, 2017, the Compensation Committee (the "Committee") of the Company's Board of Directors approved a term sheet (the "Term Sheet") setting forth the proposed terms of Employee's proposed compensation and continued employment with the Company; and

WHEREAS, Employee and the Company Group now wish to enter into this Agreement on the terms and conditions set forth below, which Agreement shall supersede and replace in their entirety the Term Sheet and the Prior CiC Agreement effective as of the Agreement Date.

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth, Employee, LTLLC and the Company have agreed and do hereby agree as follows:

1. **Employment.** During the Term (as defined below), LTLLC agrees to continue to employ Employee and Employee will continue to serve as Company Chairman and Chief Executive Officer as of the Agreement Date and Employee accepts and agrees to such employment. During the Term, Employee will perform all services and acts necessary or advisable to fulfill the duties and responsibilities as are commensurate and consistent with Employee's position and will render such services on the terms set forth herein. During the Term, Employee will report to the Board of Directors of the Company. Employee agrees to devote all of Employee's working time, attention and efforts to the Company Group and to perform the duties of Employee's position in accordance with the Company Group's policies as in effect from time to time.

Notwithstanding anything to the contrary in this Agreement, Employee may (i) serve as a corporate board member for up to two (2) organizations as Employee may reasonably determine from time to time, provided said service does not compete with, or present an actual or apparent conflict of interest for, the Company Group, which will be determined by the Board of Directors of the Company, in its sole, good faith judgment, (ii) serve on civic or charitable boards or committees and (iii) manage his personal investments, in each case, so long as such activities do not interfere with Employee's ability to perform his duties for the Company as contemplated hereunder. The Company acknowledges that as of the Agreement Date, Employee is serving as a corporate board member for StellaService, Inc.

2. **Term of Agreement.** The term ("Term") of this Agreement will commence on the Agreement Date and will continue through January 9, 2021, unless sooner terminated in accordance with the provisions of Section 1 of the Standard Terms and Conditions attached hereto; provided, that certain terms and conditions herein may specify a greater period of effectiveness. Employee and the Company Group will enter into good faith negotiations to extend the Term no later than six months prior to the end of the Term, provided, that Employee has provided written notice to the Company between eight and six months prior to the end of the Term which sets forth his interest in entering into such negotiations. For purposes of clarity, if the Agreement is not renewed in accordance with this Section 2, the Agreement will automatically expire at the end of the Term. Such expiration will not entitle Employee to any compensation or benefits except as earned by Employee through the date of expiration of the Term.

3. **Compensation.**

(a) **Base Salary.** During the Term, LTLLC will pay Employee an annual base salary of \$750,000 (the "Base Salary") payable in equal biweekly installments or in such other installments as may be in accordance with LTLLC's standard payroll practices as in effect from time to time. The Base Salary will be reviewed by the Company as the Company determines to be appropriate or, if requested by Employee in writing, no less frequently than annually in a manner consistent with similarly

situated executives of LTLLC and may be increased but not decreased. For all purposes under this Agreement, the term "Base Salary" will refer to the Base Salary as in effect from time to time.

(b) Annual Bonus. During the Term, Employee will be eligible to receive a target annual bonus of up to 125% of his Base Salary with respect to each fiscal year of the Company (each a "Performance Year") during the Term, beginning with the Performance Year that began on January 1, 2017. The terms and conditions of the annual bonus, including the applicable performance criteria for a Performance Year, and the amount of the annual bonus payable to Employee for a Performance Year, if any, will be determined by the Committee in its sole discretion. Except as expressly provided in this Agreement, the annual bonus will be paid in accordance with LTLLC's standard policies and procedures for the payment of annual bonuses to its other similarly situated employees.

(c) Equity Compensation. Subject to Employee remaining employed by the Company Group through the applicable grant dates referenced below and to the Company having sufficient shares available on each grant date under a Company stockholder approved equity compensation plan, Employee will receive the Initial Grants and other equity compensation grants under the Company's Fifth Amended and Restated 2008 Stock and Annual Incentive Plan, as may be amended (or replaced) by the Company, (the "2008 Plan") described in this Section 3(c). The share numbers and exercise prices referenced herein will be subject to adjustment in the event there is a "Share Change" (as defined in the 2008 Plan) pursuant to the terms of the 2008 Plan.

(i) Definitions. Certain definitions used in this Agreement are provided below in this subsection (i).

"2018 Price" means the closing per share price of a Company common share on the Second Grant Date.

"Base Date" means July 26, 2017.

"Base Price" means \$183.80 which was the Company's per common share closing price on the Base Date.

"Initial Grants" means the collectively the 2017 Performance Option, the 2018 RSA Grant and the 2018 Performance Awards.

"Second Grant Date" means the first business day of January 2018.

"Termination of Employment" has the same meaning provided to such term under the 2008 Plan.

"Total Option Shares" means 769,376 Company common shares, which the parties hereto acknowledge and agree is the nearest whole number of shares that generates a stock option grant date value of \$65.625 million (as measured under the Committee's model) on the Base Date and using the Base Price as the per share exercise price and per share fair market value.

(ii) 2018 RSA Grant. On the first business day in January 2018, Employee will receive a grant of restricted shares (the "2018 RSA Grant"). The 2018 RSA Grant will be evidenced by the agreement substantially in the form attached as Exhibit A and Employee must execute such agreement within 30 days of the grant date as a condition of grant. 119,015 Company common shares (which is the nearest whole number that is equal to the quotient of \$21.875 million divided by the Base Price) will be awarded under the 2018 RSA Grant. The vesting terms for the 2018 RSA Grant are provided in Exhibit A, subject to accelerated vesting pursuant to Sections 1(a), 1(b), 1(d) or 1(g) of the Standard Terms and Conditions. Except as may be otherwise provided under Sections 1(a), 1(b), 1(d) or 1(g) of the Standard Terms and Conditions, no shares under the 2018 RSA Grant will vest after Employee experiences a Termination of Employment and any then unvested shares will be forfeited without consideration as of such Termination of Employment. Except for shares that may be sold by Employee or retained by the Company, in each case, solely in order to satisfy applicable tax withholding, no vested 2018 RSA Grant shares may be sold, transferred or otherwise disposed of by Employee until the earlier of the fifth anniversary of the grant date of the 2018 RSA Grant or the earlier date of an event occurring under Sections 1(a), 1(b), or 1(d) of the Standard Terms and Conditions, or a Change of Control of the Company (as defined in this Agreement); provided, that Employee will be permitted to transfer (by gift) vested 2018 RSA Grant shares to a limited liability company owned by a trust solely for the benefit of Employee's heirs of which Employee is the managing member at any time. With respect to the 2018 RSA Grant, in the event of any conflict in terms between this Agreement and the 2018 RSA Grant agreement, the terms of the 2018 RSA Grant Agreement will prevail and govern.

(iii) 2017 Performance Option and Other January 2018 Equity Grants. With respect to issuing the Initial Grants, Employee will receive the following grants:

(1) 2017 Performance Option. The Company and Employee acknowledge and agree that, on the Base Date, Employee received a grant of a performance-based stock option (the "2017 Performance Option"). The 2017 Performance Option will be evidenced by the agreement substantially in the form attached as Exhibit B (the "2017 Performance Option Agreement") and Employee must execute such agreement on or prior to September 25, 2017 as a

condition of grant. The number of Company common shares subject to the 2017 Performance Option is 672,499 (which represents the maximum number of shares that may be earned). The 2017 Performance Option has a per share exercise price that is equal to the Base Price. The vesting terms for the 2017 Performance Option are provided in Exhibit B, subject to accelerated vesting pursuant to Sections 1(a), 1(b), 1(d) or 1(g) of the Standard Terms and Conditions. Except as may be otherwise provided under Sections 1(a), 1(b) or 1(d) of the Standard Terms and Conditions, no shares under the 2017 Performance Option will vest after Employee experiences a Termination of Employment and any then unvested shares will be forfeited without consideration as of such Termination of Employment. The 2017 Performance Option has a maximum exercise term of ten years from the grant date. With respect to the 2017 Performance Option, in the event of any conflict in terms between this Agreement and the 2017 Performance Option Agreement, the terms of the 2017 Performance Option Agreement will prevail and govern.

(iv) *Other January 2018 Equity Grants.* On the Second Grant Date, Employee will receive a grant of a performance-based stock option (the “2018 Performance Option”) and, if applicable, a grant of performance-based restricted stock (the “2018 Performance RSA”) upon the following terms and conditions:

(1) If the 2018 Price is equal to or less than the Base Price, then Employee will be entitled to the grant of the 2018 Performance Option (and, for the avoidance of doubt, Employee will not receive the grant of the 2018 Performance RSA) on the following terms: (1) the number of Company common shares subject to the 2018 Performance Option will be 96,877 shares (which represents the maximum number of shares that may be earned); (2) the 2018 Performance Option will have a per share exercise price that is equal to the Base Price; (3) the 2018 Performance Option will have the same vesting and exercisability conditions applicable to the 2017 Performance Option (subject to a maximum exercise term of ten years from the Base Date); and (4) the 2018 Performance Option will in all other respects be governed by the same terms and conditions applicable to the 2017 Performance Option. The 2018 Performance Option will be evidenced by an agreement substantially in the form attached as Exhibit B and Employee must execute such agreement within 30 days of the Second Grant Date as a condition of grant; or

(2) If the 2018 Price is greater than the Base Price, then Employee will be entitled to grants of the 2018 Performance Option and the 2018 Performance RSA on the following terms: (1) the number of shares subject to the 2018 Performance RSA will be the nearest whole number that is equal to the quotient of (x) the difference between the 2018 Price and the Base Price, multiplied by 96,877, divided by (y) the 2018 Price (which number represents the maximum number of shares that may be earned under the 2018 Performance RSA); (2) the number of shares subject to the 2018 Performance Option will be equal to the excess of (I) 96,877 over (II) the number of shares subject to the 2018 Performance RSA determined pursuant to clause (1); (2) the 2018 Performance Option will have a per share exercise price that is equal to the 2018 Price; (3) the 2018 Performance Option will have the same vesting and exercisability conditions (subject to a maximum exercise term of ten years from the Second Grant Date) as applicable to the 2017 Performance Option; (4) the 2018 Performance Option will in all other respects be governed by the same terms and conditions applicable to the 2017 Performance Option; and (5) the 2018 Performance RSA will have the same vesting conditions as applicable to the 2017 Performance Option. The 2018 Performance Option will be evidenced by an agreement substantially in the form attached as Exhibit B, and, consistent with the foregoing, the 2017 Performance RSA will be evidenced by a restricted stock agreement in a form to be provided by the Company, and, in each case, Employee must execute such agreements within 30 days of the Second Grant Date as a condition of grant.

The 2018 Performance Option and, if applicable, the 2018 Performance RSA, are collectively referred to herein as the “2018 Performance Awards”. With respect to the 2018 Performance Awards, in the event of any conflict in terms between this Agreement and the applicable award agreement(s) evidencing the 2018 Performance Awards, the terms of the applicable award agreement evidencing the 2018 Performance Awards will prevail and govern.

(v) *Additional Equity Compensation Awards.* Additionally, in January of each of 2018, 2019 and 2020, the Company will issue Employee annual equity awards (“Future Equity Awards”), in each case, with a grant date value that is no less than the median equity compensation grant value for the calendar year preceding the date of grant for the chief executive officers of the Company’s peer group that is approved by the Company’s board of directors after consulting with Employee. Future Equity Awards may be in the form of cash or equity grants as determined by the Committee after consulting with Employee. It is expected that at least fifty percent of the annual grant date value for each Future Equity Award will be price-contingent stock options or similar price-contingent performance based awards but ultimately the Committee will determine the applicable terms and conditions of the Future Equity Awards; provided, that the performance goals for each Future Equity Award will be determined by the Committee after consulting with Employee. With respect to any grant of Future Equity Awards that are subject to time-based vesting conditions, it is expected that the normal vesting period for such grant shall not exceed four years from the applicable grant date, with the actual normal vesting period to be determined by the Committee after consulting with Employee.

(d) Benefits. During the Term, Employee will be eligible to participate in any welfare, health, life insurance, pension benefit, incentive, fringe benefit, perquisite and benefit plans, programs, policies and practices as may be adopted from time to time by the Company Group on the same basis as that provided to similarly situated employees of LTLLC generally; provided, that, during the Term, Employee shall be provided with fringe benefits and perquisites (including, without limitation, reimbursement of country club dues) on a basis that is no less favorable than those provided to Employee as of the Agreement Date, provided however, that Employee's personal use of Company aircraft will continue to be subject to the Company Group's corporate aircraft policy and further provided that the Company retains the discretion as to whether or not to continue to have a Company aircraft (and what type of aircraft). Without limiting the generality of the foregoing, Employee will be eligible for the following benefits:

(i) Reimbursement for Business Expenses. During the Term, the Company Group will reimburse Employee for all reasonable and necessary expenses incurred by Employee in performing Employee's duties for the Company Group, on the same basis as similarly situated employees of LTLLC generally and in accordance with the Company Group's policies as in effect from time to time.

(ii) Vacation. During the Term, Employee will be eligible for paid vacation in accordance with the plans, policies, programs and practices of LTLLC applicable to similarly situated employees of LTLLC generally.

4. Notices. All notices and other communications under this Agreement will be in writing and will be given by email, first-class mail, certified or registered with return receipt requested or hand delivery, with email or hand delivery acknowledged in writing by the recipient personally, and will be deemed to have been duly given three days after mailing or immediately upon duly acknowledged email or hand delivery, as applicable, to the respective persons named below:

If to the Company Group: LendingTree, Inc.
 11115 Rushmore Drive
 Charlotte, NC 28277
 Attention: Chair, Compensation Committee
 Email: Legal3@lendingtree.com

If to Employee: At the most recent address on file at the Company Group.

Any party may change such party's address for notices by notice duly given pursuant hereto.

5. Governing Law, Jurisdiction; Dispute Resolution. This Agreement and the legal relations thus created between the parties hereto will be governed by and construed under and in accordance with the laws of the State of North Carolina without reference to the principles of conflicts of laws. Except as set forth in Subsection (c) below, the parties agree that any dispute arising under this Agreement or involving the subject matter of this Agreement shall first be mediated and, if not resolved by mediation, submitted to mandatory binding arbitration as set forth below. The costs of any such mediation or arbitration proceedings shall be borne equally by the Company and Employee and neither party shall be entitled to recover attorneys' fees or costs expended in the course of such mediation or arbitration or enforcement of the award rendered thereunder.

(a) Mediation. No arbitration of any dispute between the parties shall occur until the parties' dispute has been submitted to mediation. If the mediation does not resolve the dispute within sixty (60) days of the commencement of mediation (which period may be extended by mutual agreement), then the parties agree to immediately submit the dispute to binding arbitration. Otherwise, the dispute shall be mediated in conformity with the rules governing court-ordered mediation in the State of North Carolina then in effect at the time of the mediation.

(b) Arbitration. In the event the parties do not resolve their dispute by mediation as set forth in Subsection (a) above, either party may commence an arbitration by making a demand on the other. The demand shall contain a short and concise statement of the claims that the party seeks to arbitrate. Within ten (10) calendar days, the responding party shall reply to the claimant's demand with a short and concise statement of the responding party's defenses, offsets, and counterclaims. The claimant shall then have ten (10) calendar days in which to reply to any counterclaims raised by the responding party by serving a short and concise statement of the claimant's defenses and offsets. The arbitration shall be conducted in accordance with the employment arbitration rules of the American Arbitration Association ("AAA"), but not necessarily by or under the auspices of the AAA. Except as set forth in Subsection (c) below, the arbitration shall be the sole and exclusive means of resolving such disputes, and neither party shall initiate any action, suit, or proceeding in any court in respect of this Agreement except as may be necessary to enforce any such arbitration determination. The Federal Arbitration Act, 9 U.S.C. §§ 1-16 ("FAA"), shall govern the parties' obligation to arbitrate disputes. All awards of the arbitration will be non-appealable except as otherwise provided in the FAA.

(c) Exclusions. Employee is not prohibited from pursuing an administrative claim with a federal or state administrative body that is authorized to enforce or administer laws related to employment. In addition, disputes arising under Section 2 of the Standard Terms and Conditions of this Agreement may be resolved either in court in the appropriate jurisdiction set forth above, or through mediation and arbitration as described above.

6. Counterparts. This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Employee expressly understands and acknowledges that the Standard Terms and Conditions attached hereto are incorporated herein by reference, deemed a part of this Agreement and are binding and enforceable provisions of this Agreement. References to "this Agreement" or the use of the term "hereof" will refer to this Agreement and the Standard Terms and Conditions attached hereto, taken as a whole.

7. Effect on Prior Agreements. This Agreement, together with all Exhibits hereto, constitutes the entire agreement between the parties and supersedes any and all prior agreements, term sheets between the parties with respect to the subject matter hereof, including without limitation, the Term Sheet, Prior Agreement and Prior CiC Agreement (and such Prior CiC Agreement is hereby terminated as of the Agreement Date and is of no further force or effect).

8. Legal Fees. LTLLC will pay for fifty percent of the reasonable legal and compensation consulting fees incurred Employee in connection with the negotiation, preparation and execution of this Agreement, provided however that LTLLC's payments under this Section 8 will not in the aggregate exceed \$100,000. Employee will provide LTLLC with applicable invoices (that comply with LTLLC's expense reimbursement policies) reasonably promptly and in any event within 90 days after the Agreement Date and LTLLC will provide the reimbursement payment to Employee (or to the applicable service provider(s)) within 45 days after LTLLC's receipt of such invoices.

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IN WITNESS WHEREOF, the Company Group has caused this Agreement to be executed and delivered by its duly authorized officer and Employee has executed and delivered this Agreement as of the Agreement Date.

LENDINGTREE, INC.

By: /s/ Claudette Parham
Name: Claudette Parham
Title: Chief Human Resources Officer

LENDINGTREE, LLC

By: /s/ Claudette Parham
Name: Claudette Parham
Title: Chief Human Resources Officer

EMPLOYEE

By: /s/ Douglas R. Lebda
Name: Douglas R. Lebda
Title: Chairman, Chief Executive Officer & Founder

STANDARD TERMS AND CONDITIONS

1. Termination of Employee's Employment.

(a) Death. Upon termination of Employee's employment prior to the expiration of the Term by reason of Employee's death, LTLLC will pay Employee's designated beneficiary or beneficiaries or Employee's estate (collectively, the "Beneficiary"), within 30 days of Employee's death (or earlier, to the extent required by applicable law) in a lump sum in cash, (i) Employee's Base Salary from the date of Employee's death through the end of the month in which Employee's death occurs and (ii) any Accrued Obligations (as defined in Section 1(f) below). Additionally, the Beneficiary will receive the payments and benefits described in clauses (A) through (E) below, but (with respect to clauses (A) through (E) below) only if the Beneficiary timely executes and does not revoke a general release of the Company Group and its affiliates substantially in the form attached hereto as Exhibit C (the "Release"). If the Beneficiary does not execute the Release within forty-five (45) days following Employee's Termination of Employment, or if the Beneficiary revokes the Release (the end of the permitted revocation period following execution without revocation being exercised, the "Release Effective Date"), Beneficiary's entitlement to the payments and benefits described in clauses (A) through (E) below will immediately become null and void.

(A) Full vesting of the 2018 RSA Grant as of Employee's Termination of Employment if such grant was outstanding as of Employee's Termination of Employment;

(B) If Employee's Termination of Employment preceded the issuance of the 2018 RSA Grant, then the Beneficiary will receive an amount equal to the value of the 2018 RSA Grant measured as of the close of business (applying the Company's closing per share price) on the date of Employee's Termination of Employment, payable in the form of cash and/or Company shares as determined by the Company (with shares issued only if in compliance with all applicable laws and rules of the Nasdaq Stock Market, and issued with appropriate restrictive legends reflecting the unregistered status of shares), within 60 days following the date of Employee's Termination of Employment;

(C) Shares subject to the 2017 Performance Option which were Performance Vested (as defined in the 2017 Performance Option Agreement) as of Employee's Termination of Employment will be fully vested and exercisable as of the date of Employee's Termination of Employment;

(D) If Employee's Termination of Employment precedes August 2, 2018, Shares subject to the 2017 Performance Option that were not Performance Vested as of Employee's Termination of Employment will become fully vested and exercisable to the extent that the VWAP increase over the Base Price hurdles (as set forth in the 2017 Performance Option Agreement) are attained on or before August 1, 2018, with each such performance measurement based on the highest trailing VWAP over any 30 consecutive day period ending between the date of Employee's Termination of Employment and August 1, 2018 (rather than the quarterly measurement dates included in the 2017 Performance Option Agreement); and

(E) If Employee's Termination of Employment precedes the grant of the 2018 Performance Option, then such award will be hypothetically treated as having been granted on the Base Date (with a hypothetical exercise price equal to the Base Price) and a hypothetical number of shares will be subject to vesting under the same vesting conditions expressed in Section 1(a)(D). Each hypothetical share that vests under this Section 1(a)(E) will have a value equal to the Company's closing share price on August 1, 2018 and the excess of this value (if any) over the Base Price for each such hypothetical share will be paid to the Beneficiary in August 2018 with payment of the aggregate number of hypothetical shares, to the extent vested, occurring in cash and/or Company shares as determined by the Company (with shares issued only if in compliance with all applicable laws and rules of the Nasdaq Stock Market, and issued with appropriate restrictive legends reflecting the unregistered status of shares).

(b) Disability. Upon termination of Employee's employment by the Company Group prior to expiration of the Term by reason of Employee's Disability, LTLLC will pay Employee, within 30 days of such termination (or earlier, to the extent required by applicable law) in a lump sum in cash, (i) Employee's Base Salary from the date of Employee's termination of employment due to Disability through the end of the month in which such termination occurs, offset by any amounts payable to Employee under any disability insurance plan or policy provided by LTLLC and (ii) any Accrued Obligations (as defined in Section 1(f) below). "Disability" means a condition, resulting from bodily injury or disease, that renders, and for a six consecutive month period has rendered, Employee unable to perform substantially the duties pertaining to his employment with LTLLC. A return to work of less than 14 consecutive days will not be considered an interruption in Employee's six consecutive months of disability. Disability will be determined by LTLLC on the basis of medical evidence satisfactory to LTLLC. Additionally, Employee will receive the payments and benefits described in Section 1(a) clauses (A) through (E) above, but (with respect to such above clauses (A) through (E)) only if Employee timely executes and does not revoke the Release. If Employee does not execute the Release within forty-five (45) days following Employee's Termination of Employment, or if Employee revokes the Release before the Release Effective Date, Employee's entitlement to the payments and benefits described in such above clauses (A) through (E) will immediately become null and void.

(c) Termination for Cause: Resignation by Employee Without Good Reason. Subject to the terms of this Agreement, the Company Group may terminate Employee's employment under this Agreement with or without Cause at any time. Similarly, subject to the terms of this Agreement, Employee may terminate his employment under this Agreement with or without Good Reason at any time. Upon termination of Employee's employment prior to expiration of the Term by the Company Group for Cause or upon Employee's resignation without Good Reason, this Agreement will terminate without further obligation by the Company Group, except for the payment of any Accrued Obligations (as defined in Section 1(f) below) within thirty (30) days of such termination (or earlier, to the extent required by applicable law). As used herein, "Cause" means: (a) the plea of guilty or nolo contendere to, or conviction for, a felony offense; provided however that after indictment, the Company Group may suspend Employee from the rendition of services, but without limiting or modifying in any other way the Company Group's obligations to Employee under this Agreement; provided further that Employee's employment will be immediately reinstated if the indictment is dismissed or otherwise dropped and there is not otherwise grounds to terminate Employee's employment for Cause; (b) a material breach by Employee of a fiduciary duty owed to the Company Group; (c) a material breach by Employee of any of the covenants made by Employee in Section 2 hereof; or (d) the willful or gross neglect by Employee of the material duties required by this Agreement. Before a cessation of Employee's employment can be deemed to be a termination of Employee's employment for Cause, (A) the Company Group must provide written notice to Employee that identifies the conduct described in clauses (b), (c) or (d) above, as applicable, and (B) in the event that the event or condition is curable, Employee will have failed to remedy such event or condition within 30 days after Employee has received the written notice from the Company Group described above. As used herein, "Good Reason" means the occurrence of any of the following without Employee's written consent, (i) a material adverse change in Employee's, title at the Company, duties for the Company Group, operational authorities or reporting responsibilities as they relate to Employee's position as Chairman and Chief Executive Officer of the Company from those in effect immediately following the Agreement Date, excluding for this purpose any such change that is an isolated and inadvertent action not taken in bad faith and that is remedied by the Company Group promptly after receipt of notice thereof given by Employee and for purposes of this subclause it shall be considered a material adverse change if immediately following a Change of Control (as defined below) Employee is not the chief executive officer of the ultimate parent entity of the combined or surviving entity resulting from such Change of Control, (ii) a material reduction in Employee's annual base salary, (iii) a relocation of Employee's principal place of business more than 25 miles from the Charlotte, North Carolina metropolitan area, or (iv) a material breach by the Company Group of this Agreement, excluding for this purpose any such action that is an isolated and inadvertent action not taken in bad faith and that is remedied by the Company Group promptly after receipt of notice thereof given by Employee.

(d) Termination by the Company Other Than For Death, Disability or Cause; Resignation by Employee For Good Reason. Subject to Section 1(g), upon termination of Employee's employment with the Company Group prior to expiration of the Term (i) by the Company Group without Cause (other than for death or Disability) or (ii) upon Employee's resignation for Good Reason (either such termination, a "Qualifying Termination"), Employee will receive (x) payment of the Accrued Obligations within thirty (30) days of such Qualifying Termination (or earlier, to the extent required by applicable law) and (y) the payments and benefits described in clauses (A) through (J) below, but (with respect to clauses (A) through (J) below) only if Employee timely executes and does not revoke the Release and Employee complies in all material respects with his obligations under Sections 2(a) through 2(e). If Employee does not execute the Release within forty-five (45) days following the date of such Qualifying Termination, or if Employee revokes the Release before the Release Effective Date, Employee's entitlement to the payments and benefits described in clauses (A) through (J) below will immediately become null and void.

(A) An amount (the "Severance Amount") equal to the greater of: (i) the amount of Base Salary (calculated using Employee's then-current Base Salary) that Employee would have received had his employment continued over the period commencing on the date of the Qualifying Termination and ending on the second anniversary of the date of the Qualifying Termination, or (ii) the amount of Employee's then-current Base Salary plus Employee's target annual bonus for the bonus program in effect for Employee for the year in which Employee's employment terminates.

The Severance Amount will be paid in substantially equal payments over the two year period following the date of Qualifying Termination in accordance with LTLCC's normal payroll practices in effect at the time of Employee's termination of employment beginning on the regularly scheduled payroll date immediately following the Release Effective Date provided however that if the Severance Amount is determined to be "nonqualified deferred compensation" that is subject to Section 409A (as defined below), then the first installment will be paid on the sixtieth (60th) day following the date of the Qualifying Termination and will include the amount of all payments that would have been made after the Release Effective Date but before the sixtieth (60th) day following such Qualifying Termination, and the remaining Severance Amount will be payable in installments as specified above on LTLCC's regularly scheduled payroll dates following the sixtieth (60th) day following such Qualifying Termination;

(B) A cash lump-sum payment in an amount equal to the pro-rated portion of Employee's annual bonus for the Company's fiscal year in which the Qualifying Termination occurs based on actual performance achieved for such year (as if the entire annual bonus was based solely on the applicable Company performance metrics and without regard to any

assessment of personal performance), with such proration based on the ratio of the number of days employed during such year to 365 (the amount of such payment, the “Pro-Rated Annual Bonus”), and paid when annual bonuses are paid to other employees;

(C) Subject to Employee timely making such requisite elections to continue such coverages, Employee will continue to receive group health and life insurance coverage by LTLLC for Employee and his dependents for up to 18 months after the Qualifying Termination on the same terms as if Employee was still a full-time active employee of LTLLC during such period (with Employee continuing to pay the same dollar amount for such coverage that he would need to pay if he were still an active employee), provided, that as soon as Employee is offered health insurance coverage in connection with new employment, then Employee’s status for purposes of this clause (C) will solely be that of a former employee of LTLLC (and any further coverages will be provided on that basis and not as if Employee was still a full-time active employee of LTLLC).

Notwithstanding any provision of this Agreement to the contrary but subject to the same terms and conditions set forth in the preceding paragraph, if the Company determines, in its sole discretion, that it cannot provide such COBRA premium payment benefits without adverse tax consequences to Employee or the Company or for any other reason, then the Company shall, in lieu thereof, provide to Employee a taxable monthly amount equal to the monthly plan premium payment in substantially equal monthly installments over such 18-month period (or the remaining portion thereof). The benefits described in this clause (C) (both the continuation of benefits and taxable cash payment), including the applicable terms and conditions, are referred to herein as the “Continued Health Benefit;”

(D) With respect to any performance-based equity compensation award (excluding the 2018 RSA Grant, 2017 Performance Options and 2018 Performance Awards) then-outstanding with respect to which Employee has not yet vested as of the date of termination, such award will remain eligible to vest in accordance with the terms of the applicable award agreement evidencing such award following the completion of the applicable performance period in an amount equal to (i) the total number of shares, if any, that would have been ultimately awarded thereunder following completion of the performance period applicable to such award, multiplied by (ii) a fraction, the numerator of which is the number of days Employee was employed from the grant date of the award to the date of Employee’s Termination of Employment, and the denominator of which is the number of days from the grant date to the latest in time date of any performance period in the applicable award;

(E) With respect to Employee’s then-outstanding unvested Company compensatory equity awards held by Employee that vest solely based on Employee’s continued service to the Company Group (the “Time-Based Equity Awards”), such portion of the Time-Based Equity Awards that would otherwise have become vested and exercisable by the second anniversary of the date of Qualifying Termination had Employee’s employment not been terminated will become fully vested and immediately exercisable as of the date of Qualifying Termination;

(F) With respect to Employee’s then-outstanding vested stock options, (1) any restrictions on delaying Employee’s ability to exercise otherwise vested stock options will be removed as of the date of Qualifying Termination and (2) Employee will be able to exercise such vested stock options until the earliest of (i) their applicable expiration date, (ii) the date of a Change of Control of the Company (as defined in this Agreement) in which the stock options are not being continued, assumed, converted, or otherwise substituted for, or (iii) the first anniversary of the Qualifying Termination;

(G) If the 2018 RSA Grant is then-outstanding, then such portion of the 2018 RSA Grant that would otherwise have become vested by the second anniversary of the date of Qualifying Termination had Employee’s employment not been terminated will become fully vested as of the date of Qualifying Termination; but if the date of Qualifying Termination occurs prior to the date of grant of the 2018 RSA Grant, then Employee will receive an amount equal to 40% of the value of the 2018 RSA Grant measured as of the close of business (applying the Company’s closing per share price) on the date of Employee’s Termination of Employment, payable in the form of cash and/or issuance of Company shares as determined by the Company (with shares issued only if in compliance with all applicable laws and rules of the Nasdaq Stock Market, and issued with appropriate restrictive legends reflecting the unregistered status of shares), within 60 days following the date of Termination of Employment;

(H) Shares subject to the 2017 Performance Option which were Performance Vested as of the date of Qualifying Termination will be fully vested and exercisable as of such Qualifying Termination;

(I) Shares subject to the 2017 Performance Option (and 2018 Performance Awards if they were outstanding) that were not Performance Vested as of the date of Qualifying Termination will become fully vested and exercisable as of such date to the extent that the VWAP increase over the Base Price hurdles (as set forth in the 2017 Performance Option Agreement) are attained as of the date of Qualifying Termination with such last performance measurement based on the VWAP for the 30 consecutive day period ending on the date of Qualifying Termination (rather than at the end of the fiscal quarter in which Termination of Employment occurred as set forth in the 2017 Performance Option Agreement); and

(J) If the date of Qualifying Termination precedes the grant of the 2018 Performance Option, then such award will be hypothetically treated as having been granted on the Base Date (with a hypothetical exercise price equal to the Base Price) and a hypothetical number of shares will be subject to vesting under the same vesting conditions expressed in Section 1(d)(I) above. Each hypothetical share that vests under this Section 1(d)(J) will have a value equal to the Company's closing share price on the date of Qualifying Termination and the excess of this value (if any) over the Base Price for each such hypothetical share will be paid to Employee within 60 days following the date of Qualifying Termination, with payment of the aggregate number of hypothetical shares, to the extent vested, occurring in cash and/or Company shares as determined by the Company (with shares issued only if in compliance with all applicable laws and rules of the Nasdaq Stock Market, and issued with appropriate restrictive legends reflecting the unregistered status of shares).

Notwithstanding the foregoing, in no event will Employee's resignation be for Good Reason unless (x) an event or circumstance set forth in any of clauses (i) through (iv) of the definition thereof will have occurred and Employee provides the Company with written notice thereof within forty-five (45) days after Employee has knowledge of the occurrence or existence of such event or circumstance, which notice specifically identifies the event or circumstance that Employee believes constitutes Good Reason, (y) the Company Group fails to correct the circumstance or event so identified within thirty (30) days after the receipt of such notice, and (z) Employee resigns within ninety (90) days after the date of delivery of the notice referred to in clause (x) above.

(e) Mitigation; Offset. In the event of a termination of Employee's employment prior to the end of the Term, in no event will Employee be obligated to seek other employment or take any other action by way of mitigation of severance benefits or other compensation or benefits. If Employee obtains other employment during the Term, the amount of any severance payments to be made to Employee under Section 1(d) hereof after the date such employment is secured will be offset by the amount of compensation earned by Employee from such employment through the end of the Term. For purposes of this Section 1(e), Employee will have an obligation to inform the Company promptly regarding Employee's employment status following termination and during the period encompassing the Term.

(f) Accrued Obligations. As used in this Agreement, "Accrued Obligations" will mean the sum of (i) any portion of Employee's accrued but unpaid Base Salary through the date of death or Employee's termination of employment for any reason, as the case may be; any annual bonus earned, but unpaid, as of the date of Employee's termination of employment for the immediately preceding fiscal year; (iii) any compensation previously earned but deferred by Employee (together with any interest or earnings thereon) that has not yet been paid, (iv) any reasonable and necessary business expenses incurred by Employee prior to the date of Employee's termination of employment but not yet reimbursed and (v) any benefits earned by Employee (excluding any then-outstanding equity compensation awards which will continue to be governed by their applicable terms and conditions) but unpaid or unused at the date of Employee's termination of employment provided that the payout of these benefits is consistent with the plans, policies, programs and practices of LTLLC at the date of Employee's termination of employment.

(g) Change of Control. For purposes of this Agreement, a "Change of Control" results when: (i) any person or entity, other than Employee or persons or entities having beneficial ownership of securities of the Company also beneficially owned by Employee (a "Lebda Beneficial Owner")), becomes a beneficial owner, directly or indirectly, of securities of the Company representing fifty percent or more of the total voting power of all of the Company's then outstanding voting securities, excluding such event occurring via the acquisition by such person or entity of beneficial ownership of securities from, or via the sharing of beneficial ownership with, a Lebda Beneficial Owner, (ii) a merger or consolidation of the Company in which the Company's voting securities immediately prior to the merger or consolidation do not represent, or are not converted into securities that represent, a majority of the voting power of all voting securities of the surviving entity immediately after the merger or consolidation, or (iii) a sale of all or substantially all of the assets of the Company or a liquidation or dissolution of the Company. For purposes of defining Change of Control, "Company" refers to LendingTree, Inc. as a whole and does not apply to events only affecting specific businesses or subsidiaries of LendingTree, Inc. To the extent necessary to comply with Section 409A (as defined below), a Change of Control must also constitute a "change in control event" within the meaning of Section 409A.

(A) If a Change of Control occurs while Employee is employed by LTLLC then the benefits described in clauses (i) through (vi) below will be provided to Employee automatically upon the Change of Control:

(i) All then-outstanding Time-Based Equity Awards held by Employee will become fully vested and immediately exercisable immediately prior to such Change of Control;

(ii) All then-outstanding unvested Company compensatory equity awards held by Employee that are subject to performance-based vesting (other than the 2018 RSA Grant, 2017 Performance Option and 2018 Performance Awards) will vest based on the actual level of achievement of the applicable performance goals measured as of (or within five business days before) the date of such Change of Control; provided, that any portion of the award that does not vest as of such date will be forfeited without consideration upon the Change of Control;

(iii) Any then-outstanding unvested portion of the 2018 RSA Grant will become fully vested immediately prior to the Change of Control; provided, that if a Change of Control occurs prior to the issuance of the 2018 RSA Grant, then Employee will, immediately prior to the Change of Control, receive an amount equal to the value of the 2018 RSA Grant measured as of the close of business (applying the Company's closing per share price) immediately prior to the Change of Control, payable in the form of cash and/or issuance of Company shares as determined by the Company (with shares issued only if in compliance with all applicable laws and rules of the Nasdaq Stock Market, and issued with appropriate restrictive legends reflecting the unregistered status of shares);

(iv) With respect to any then-outstanding 2017 Performance Option, 2018 Performance Option and 2018 Performance RSA, (x) any portion of those awards that are not Performance Vested as of immediately prior to such Change of Control will be measured as of the fifth business day before the Change of Control pursuant to the terms of the applicable award agreements evidencing such awards, except that the VWAP (as defined in the applicable award agreement) will be replaced with the Company's closing share price on the fifth business day before the Change of Control, and to the extent that the performance goals are achieved after giving effect to such measurement, the resulting Shares subject to those awards will become Performance Vested immediately prior to the Change of Control and any unvested portion of those awards will be forfeited without consideration upon the Change of Control;

(v) After giving effect to clause (iv) above, shares subject to any then-outstanding 2017 Performance Option, 2018 Performance Option and 2018 Performance RSA which are Performance Vested will be fully vested and exercisable immediately prior to such Change of Control; and

(vi) If the Change of Control precedes the grant of the 2018 Performance Option, then such award will be hypothetically treated as having been granted on the Base Date (with a hypothetical exercise price equal to the Base Price) and a hypothetical number of shares will be subject to vesting under the same vesting conditions expressed in clauses (iv) and (v) above. Each hypothetical share that vests under the previous sentence will have a value equal to the Company's closing share price on the fifth business day before the Change of Control and the excess of this value (if any) over the Base Price for each such hypothetical share will be paid to Employee immediately prior to the Change of Control, with payment of the aggregate number of hypothetical shares, to the extent vested, occurring in cash and/or Company shares as determined by the Company (with shares issued only if in compliance with all applicable laws and rules of the Nasdaq Stock Market, and issued with appropriate restrictive legends reflecting the unregistered status of shares).

(B) In the event that Employee experiences a Qualifying Termination upon or at any time during the 12 month period following the occurrence of a Change of Control, then Employee will receive (x) payment of the Accrued Obligations within thirty (30) days of such termination (or earlier, to the extent required by applicable law) and (y) the payments and benefits described in clauses (i) through (iii) below, but (with respect to clauses (i) through (iii) below) only if Employee timely executes and does not revoke the Release and Employee complies in all material respects with his obligations under Sections 2(a) through 2(e). If Employee does not execute the Release within forty-five (45) days following the date of such Qualifying Termination, or if Employee revokes the Release before the Release Effective Date, Employee's entitlement to the payments and benefits described in clauses (i) through (iii) below will immediately become null and void. For avoidance of doubt, if Employee experiences a Qualifying Termination upon or at any time during the 12 month period following the occurrence of a Change of Control, then Employee will not be eligible to receive any payments or benefits under Section 1(d). There is no requirement for Employee to mitigate the benefits provided in clauses (i) through (iii) below.

(i) A cash lump sum severance payment in an amount equal to the sum of (x) 200% of Employee's then-current Base Salary plus (y) 200% of Employee's target annual bonus for the bonus program in effect for Employee for the year in which Employee's employment terminates plus (z) the Pro-Rated Annual Bonus, payable on the regularly scheduled payroll date immediately following the Release Effective Date;

(ii) With respect to Employee's then-outstanding vested stock options, Employee will be able to exercise such vested stock options until the earliest of (x) their applicable expiration date, (y) the date of a change of control of the Company in which the applicable stock option is not being assumed, continued, substituted for or otherwise replaced as of such change of control, or (z) the second anniversary of the date of Qualifying Termination; and

(iii) Subject to the terms and conditions of Section 1(d)(C), Employee will be entitled to receive the Continued Health Benefit under Section 1(d)(C).

2. Confidential Information; Non-Compete; Non-Solicitation; And Proprietary Rights. Employee covenants as follows:

(a) Confidentiality. Employee acknowledges that while employed by the Company Group, Employee will occupy a position of trust and confidence and will have access to valuable, highly confidential, privileged and proprietary information relating to Company Group's business and/or its customers, lenders, suppliers, vendors and other business partners of Company Group (collectively, "Confidential Information"), including, without limitation: information about the Company Group or any of its subsidiaries or affiliates, and their clients and customers that is not disclosed by the Company Group or any of its subsidiaries or affiliates for financial reporting purposes and that was learned by Employee in the course of employment with the Company Group or any of its subsidiaries or affiliates, including without limitation any proprietary knowledge, business plans, marketing concepts, strategies and plans; sales methods and techniques; pricing structure and data; trade secrets, data, formulae, technologies and processes; information and client and customer lists; data furnished to the Company Group or its subsidiaries or affiliates by third parties that is subject to confidentiality obligations; all papers, resumes, and records (including computer records) of the documents containing such Confidential Information. During his employment and thereafter Employee may not, except as may be required to perform Employee's duties hereunder or as required by applicable law, disclose to others or use, whether directly or indirectly, any Confidential Information. Employee acknowledges and agrees: (i) that the Confidential Information and all copies thereof, as described herein, is sensitive, valuable, and proprietary information that is the sole and lawful property of the Company Group, or (as applicable) which has been entrusted to the Company Group subject to certain confidentiality obligations; (ii) that the Confidential Information represents a material investment of the Company Group's time, money, and other resources; (iii) that the Company Group has a legitimate need to protect such Confidential Information; (iv) that such Confidential Information is the subject of reasonable efforts on the Company Group's behalf to keep it confidential; (v) that Confidential Information to which Employee was exposed in the course of employment with the Company Group prior to the execution of this Agreement, if any, shall nevertheless constitute Confidential Information, and shall be subject to the terms, requirements, and restrictions herein; (vi) that Employee has no interest or rights with respect to any of the Confidential Information; and (vii) that the Confidential Information constitutes proprietary, sensitive, and confidential information and trade secrets (as such term is defined in N.C.G.S. § 66-152, et seq., and the Uniform Trade Secrets Act) of the Company Group. Employee agrees to deliver or return to the Company Group, at the Company Group's request at any time or upon termination or expiration of Employee's employment or as soon thereafter as possible, all documents, computer tapes and disks, records, lists, data, drawings, prints, notes and written information (and all copies thereof) furnished by the Company Group and its subsidiaries or affiliates or prepared by Employee in the course of Employee's employment by the Company Group and its subsidiaries or affiliates. In connection with the preceding sentence, Employee must certify to the Company Group that he has fully complied with its requirements and the Company Group will have the ability to take reasonable actions to confirm such compliance. As used in this Agreement, "affiliates" means any company controlled by, controlling or under common control with the Company Group. Employee understands that it is the Company Group's policy to respect all trade secrets and confidential information of other entities, including without limitation any entity where the Company Group's employees may previously have been employed. Employee represents that he has not at any time, and will not in the future: (1) disclose, expose, or otherwise make available to the Company Group; (2) use in the course and scope of his employment with the Company Group or on behalf of or for the benefit of the Company Group; or (3) induce or attempt to induce the Company Group to use, any trade secrets or other confidential information belonging to any entity other than the Company Group. In the event that Employee is subject or may be subject to any confidentiality, non-disclosure, non-compete or non-solicitation agreement of any kind, or any other covenant, agreement or policy that conflicts or may conflict with any provisions of this Agreement or Employee's work assignment, Employee agrees to immediately notify the Company Group's Human Resources Department in writing of its existence, and shall immediately furnish a copy of the same, if available, to the Company Group's Human Resources Department. Confidential Information shall not include any information which is in the public domain or becomes generally known in the public domain through no wrongful act on the part of Employee.

Notwithstanding any other provision herein, Employee understands and acknowledges that, pursuant to Section 7 of the Defend Trade Secrets Act of 2016 (which added 18 U.S.C. § 1833(b)), Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (A) (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Employee files a lawsuit for retaliation by Employer for reporting a suspected violation of law, Employee may disclose Company Group's trade secrets to Employee's attorney and use the trade secret information in the court proceeding if Employee: (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such Section.

(b) Non-Competition. In consideration of the Company Group's employment of Employee, and in order to protect the substantial time, money and effort invested by the Company Group in its selling, marketing, pricing and servicing strategies, the development of goodwill among its customers and other legitimate business interests, Employee agrees as follows:

(i) During the period of Employee's employment with the Company, Employee shall not engage in the performance or attempted performance of any material activities or services performed in the course and scope of Employee's duties for the Company Group (whether for Employee's own benefit or for, on behalf of, as an employee of, as an independent contractor of, or at the request of any other entity or individual) except on behalf of the Company Group and only then in the course and scope of Employee's employment with the Company Group; and Employee shall not otherwise compete with the business of the Company Group during the Term, whether for Employee's own benefit or for the benefit of others. Notwithstanding the foregoing, this Section 2(b)(i) shall not be interpreted to impose greater restriction on Employee's activities than those applicable to Employee pursuant to Employee's fiduciary duty of loyalty as a director and executive officer of the Company, determined under the laws of the Company's domicile.

(ii) For a period of 24 consecutive months immediately following Employee's date of termination of employment for any reason following the date hereof (the "Restricted Period"), Employee may not, without the prior written consent of the Company, engage in or become Associated with a Competitive Activity (together, "Restricted Activity"). For purposes of this Section 2(b): (i) a "Competitive Activity" means any business or other endeavor, in the Restricted Territory, involving products or services that are the same or substantially similar to the type of products or services that the Company Group is engaged in providing both (x) as of the date hereof or at any time during Employee's employment with the Company Group and (y) at any time during the twelve (12) month period preceding Employee's termination of employment, and (ii) Employee will be considered to have become "Associated with a Competitive Activity" if Employee performs or takes substantial steps to perform (whether for Employee's own benefit or for, on behalf of, as an employee of, as an independent contractor of, or at the request of any other entity or individual) any material activities performed in the course and scope of Employee's duties for the Company during the twelve (12) month period immediately preceding Employee's termination of employment, in a manner or role that directly competes with the Company Group or directly and materially assists others in engaging in a Competitive Activity. Notwithstanding the foregoing, (i) Employee may make and retain investments during the Restricted Period, for investment purposes only, in less than one percent (1%) of the outstanding capital stock of any publicly-traded corporation engaged in a Competitive Activity if the stock of such corporation is listed on a national stock exchange if Employee is not otherwise affiliated with such corporation and (ii) Employee may become employed by a partnership, corporation or other organization that is engaged in a Competitive Activity so long as Employee does not engage in or become Associated with a Competitive Activity. Notwithstanding the foregoing and exclusively with respect to Employee's termination of employment pursuant to Section 1(g)(B), the Restricted Period will be reduced from 24 months to 12 months following Employee's date of termination.

(iii) For purposes of this Agreement, "Restricted Territory" means the largest territory which is described by one or more of the following subsections and is deemed enforceable by any court of competent jurisdiction, but only to extent that the Restricted Activity in which Employee is engaged therein is directed toward Competitive Activity inside the United States of America:

- (1) Any State, province, or similar political territory in any country;
- (2) Any State, province, or similar political territory in any country in which, as of the Cessation Date, Employee worked in or was based;
- (3) Any State, province, or similar political territory in any country in which Employee dealt with the Company Group's customers or lenders during Employee's employment with the Company Group during the Prior Period;
- (4) North Carolina; and/or
- (5) The geographical area within a radius of one hundred (100) miles from the Company Group's location where Employee primarily works as of the Cessation Date.

(c) Non-Solicitation of Employees. During Employee's employment with Company Group and during the Restricted Period, Employee will not, without the prior written consent of the Company, hire, recruit, or solicit, attempt to hire, recruit, or solicit, or assist others in hiring, recruiting, or soliciting, the employment or services of (whether as an employee, officer, director, agent, consultant or independent contractor), any person who is (or was during the six months prior to Employee's date of termination) either an employee, officer, director, agent, consultant or independent contractor of the Company Group or any of its subsidiaries or affiliates (except for such employment or hiring by the Company Group or any of its subsidiaries or affiliates); provided however that this Section 2(c) will not apply to any hiring which results solely from a general solicitation of employment that was not directed to employees of the Company Group or any of its subsidiaries or affiliates. Notwithstanding the foregoing and exclusively with respect to Employee's termination of employment pursuant to Section 1(g), with respect to the restriction in this Section 2(c) the Restricted Period will be reduced from 24 months to 12 months following Employee's date of termination.

(d) Non-Solicitation Of Business Partners. During Employee's employment with Company Group and during the Restricted Period, Employee may not, except for the benefit of the Company Group, to perform Employee's duties hereunder or as required by applicable law, without the prior written consent of the Company, solicit, take substantial steps to solicit, materially assist in soliciting, take substantial steps to do business with, or do business with any business partners or business affiliates of the Company Group that are engaged in a Competitive Activity, or encourage (regardless of who initiates the contact) any of the business partners or business affiliates of the Company Group to discontinue or limit its relationship with Company Group in any manner or use the services of any competitor of the Company Group, its subsidiaries or affiliates. Notwithstanding the foregoing and exclusively with respect to Employee's termination of employment pursuant to Section 1(g), with respect to the restriction in this Section 2(d) the Restricted Period will be reduced from 24 months to 12 months following Employee's date of termination.

(e) Proprietary Rights; Assignment.

(i) In the event that Employee shall, individually or in conjunction with others, invent, create, discover, conceive, make, write, or reduce to practice any invention, modification, discovery, idea, design, development, process, improvement, system, work, manuscript, translation, transliteration, writing or intellectual property right of any kind whatsoever (whether or not patentable or registerable under any applicable copyright, trademark, or other intellectual property statute or code) (collectively referred to as an "Invention") that relates in any way to, is suggested by or results from, or is otherwise usable in the business or activities of the Company Group, whether: (a) at any time during any period of Employee's employment with the Company Group or after the cessation of Employee's employment with the Company Group, when such Invention directly or indirectly results from the exposure of Employee to any of the Confidential Information; or (b) at any time during any period of Employee's employment with the Company Group, when such Invention directly or indirectly: (1) was developed in the course and scope of Employee's employment with the Company Group, (2) was suggested by or resulted from Employee's job with the Company Group, (3) was suggested by or resulted from Employee's performance of tasks or work assigned by the Company Group, or (4) resulted from the use of premises or property of any kind owned, leased or while otherwise in the possession of or used by the Company Group (all of the foregoing being collectively referred to herein as "Work Product"), then any such Work Product and all benefits arising or accruing therefrom (including, without limitation, all rights of ownership, attribution, and royalties) shall immediately become the sole, exclusive, and absolute property of the Company Group, as provided herein; provided that if the Work Product was conceived after the cessation of Employee's employment with the Company Group under the circumstances described in Subpart (a) of this Section 2(e)(i) then the Confidential Information must still be considered to be Confidential Information at the time such Work Product was conceived or developed, unless the loss of such Confidential Information status was the result of any unauthorized disclosure by Employee.

(ii) Employee agrees to assign and does hereby assign any and all rights, title and interest to any and all Work Product and all benefits arising or accruing therefrom to the Company Group without further consideration, and shall promptly notify the Company Group of all information related to any such Work Product. Employee agrees and acknowledges that at the moment any such Work Product is conceived, all rights, title and interest thereto shall immediately become the sole, exclusive and absolute property of the Company Group; and it shall further immediately become Confidential Information (and shall be treated as such), unless otherwise prohibited under the terms of this Agreement.

(iii) If any Work Product may be protected by copyright and is deemed in any manner to constitute "work made for hire," as such term is defined in 17 U.S.C. § 101, then such Work Product shall be deemed "work made for hire," the copyright of which, and all other rights, title and interest thereto, shall immediately and by operation of this Agreement be owned solely, exclusively and completely by the Company Group. If any Work Product may be protected by copyright and is not considered to be included in the categories of works covered by the "work made for hire" definition contained in 17 U.S.C. § 101, then Employee shall, and hereby does by operation of this Agreement, irrevocably and without reservation assign and transfer all copyrights, rights of attribution and other associated rights thereto to the Company Group.

(iv) Employee agrees that at the request and sole expense of the Company Group, Employee shall sign, execute, make and do all deeds, documents, assignments, transfers, instruments and acts as the Company Group may require to comply with or confirm the terms of this Agreement, including without limitation (as deemed necessary by the Company Group in its sole discretion) the transfer or confirmation of transfer of rights, title and interest to any and all Work Product, and the application for copyrights, patents or other intellectual property rights related to Work Product solely in the name of the Company Group or its assigns. If for any reason whatsoever the Company Group is unable to secure Employee's cooperation (as determined by the Company Group in its sole discretion) or execution of any such deed, instrument, or other document regarding a patent, copyright or other protection or registration of any right related to any Work Product, Employee hereby appoints the Company Group as his/her duly authorized agent and attorney in fact for the limited purposes of executing any such deed, instrument or other document and prosecuting any action for or otherwise obtaining legal protection or registration of any Work Product or right

or benefit arising or accruing therefrom, solely in the name of the Company Group or that of its assigns or as the Company Group otherwise desires.

(v) Notwithstanding the foregoing, Work Product shall not include any Invention that Employee developed solely on his/her own time without using the Company Group's equipment, supplies, facilities, and trade secrets and other Confidential Information, except for those Inventions that: (1) relate to the Company Group's business or actual or demonstrably anticipated research or development; or (2) result from any work performed by Employee for the Company Group.

(f) Compliance With Policies And Procedures. During the Term, Employee must adhere to the policies and standards of professionalism set forth in the Company Group's policies and procedures as they may exist from time to time.

(g) Remedies For Breach. Employee expressly agrees and understands that Employee will notify the Company in writing of any alleged breach of this Agreement by the Company Group, and the Company Group will have 30 days from receipt of Employee's notice to cure any such breach.

Employee expressly agrees and understands that the remedy at law for any breach by Employee of this Section 2 will be inadequate and that damages flowing from such breach are not usually susceptible to being measured in monetary terms. Accordingly, it is acknowledged that upon Employee's violation of any provision of this Section 2, in addition to any remedy that the Company Group may have at law, the Company Group will be entitled to obtain from any court of competent jurisdiction immediate injunctive relief and obtain a temporary order restraining any threatened or further breach as well as an equitable accounting of all profits or benefits arising out of such violation, in all cases without any requirement of posting a bond. Nothing in this Section 2 will be deemed to limit the Company Group's remedies at law or in equity for any breach by Employee of any of the provisions of this Section 2, which may be pursued by or available to the Company Group.

(h) Survival of Provisions. The obligations contained in this Section 2 will, to the extent provided in this Section 2, survive the termination or expiration of the Term and Employee's employment with the Company Group and will be fully enforceable in accordance with the terms of this Agreement. If it is determined by a court of competent jurisdiction in any state that any restriction in this Section 2 is excessive in duration or scope or is unreasonable or unenforceable under the laws of that state, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the law of that state. If any of the covenants of this Section 2 are determined to be wholly or partially unenforceable in any jurisdiction, such determination will not be a bar to or in any way diminish the rights of the Company Group or its affiliates, as applicable, to enforce any such covenant in any other jurisdiction.

3. Waiver of Prior Agreements.

This Agreement constitutes the entire agreement between the parties, and Employee acknowledges that he has waived, effective as of the Agreement Date, any and all rights under prior agreements and understandings (whether written or oral and including without limitation the Term Sheet, Prior Agreement and Prior CiC Agreement) between Employee and the Company Group with respect to the subject matter of this Agreement. Employee acknowledges and agrees that neither the Company Group nor anyone acting on its behalf has made, and is not making, and in executing this Agreement, Employee has not relied upon, any representations, promises or inducements except to the extent the same is expressly set forth in this Agreement.

4. Assignment; Successors.

This Agreement is personal in its nature and none of the parties hereto may, without the consent of the others, assign or transfer this Agreement or any rights or obligations hereunder; provided that, in the event of a merger, consolidation, transfer, reorganization, or sale of all, substantially all or a substantial portion of the assets of the Company or LTLLC with or to any other individual or entity, this Agreement will, subject to the provisions hereof, be binding upon and inure to the benefit of such successor and such successor (including the Company upon assignment of this Agreement) must discharge and perform all the promises, covenants, duties, and obligations of the Company Group hereunder, and all references herein to the "Company" or "LTLLC" or "Company Group" will refer to such successor.

5. Withholding.

The Company Group will make such deductions and withhold such amounts from each payment and benefit made or provided to Employee hereunder, as may be required from time to time by applicable law, governmental regulation or order.

6. Heading References. Section headings in this Agreement are included herein for convenience of reference only and do not constitute a part of this Agreement for any other purpose. References to "this Agreement" or the use of the term "hereof" will refer to these Standard Terms and Conditions and the Employment Agreement attached hereto, taken as a whole.

7. Waiver; Modification. Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof will not be deemed a waiver of such term, covenant, or condition, nor will any waiver or relinquishment of, or failure to insist upon strict compliance with, any right or power hereunder at any one or more times be deemed a waiver or relinquishment of such right or power at any other time or times. This Agreement may not be modified in any respect except by a writing executed by each party hereto.

8. Severability. In the event that a court of competent jurisdiction determines that any portion of this Agreement is in violation of any law or public policy, only the portions of this Agreement that violate such law or public policy will be stricken. All portions of this Agreement that do not violate any statute or public policy will continue in full force and effect. Further, any court order striking any portion of this Agreement will modify the stricken terms as narrowly as possible to give as much effect as possible to the intentions of the parties under this Agreement.

9. Indemnification. The Company will indemnify and hold Employee harmless for acts and omissions in Employee's capacity as an officer, director or employee of the Company or LTLLC to the maximum extent permitted under applicable law; provided however that neither the Company Group, nor any of its subsidiaries or affiliates will indemnify Employee for any losses incurred by Employee as a result of acts that would constitute Cause under Section 1(c) of this Agreement. This Section 9 will survive the termination or expiration of Employee's employment with LTLLC and, as applicable, will be fully enforceable thereafter in accordance with the terms of this Agreement.

10. Section 280G Limitation. Notwithstanding anything in this Agreement to the contrary, in the event that any payment or benefit received or to be received by Employee (all such payments and benefits being hereinafter referred to as the "Total Payments") would not be deductible (in whole or part) by the Company Group or any affiliates making such payment or providing such benefit as a result of Section 280G of the U.S. Internal Revenue Code of 1986, as amended (the "Code") then, to the extent necessary to make such portion of the Total Payments deductible (and after taking into account any reduction in the Total Payments required by any similar reduction or elimination provision contained in such other plan, arrangement or agreement), the portion of the Total Payments that does not constitute "nonqualified deferred compensation" under Section 409A of the Code will first be reduced (if necessary, to zero), and all other Total Payments will thereafter be reduced (if necessary, to zero) with, in each case, cash payments being reduced before non-cash payments (and, within each category, payments to be paid last being reduced first); provided however that such reduction will only be made if the amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments) is greater than or equal to the amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of the excise tax imposed under Section 4999 of the Code on such unreduced Total Payments). Any determination required to be made under this paragraph will be made by independent tax counsel reasonably acceptable to both Employee and the Company, and will be paid for by the Company ("Tax Counsel").

It is possible that, after the determinations and selections made pursuant to the foregoing paragraph, Employee will receive payments and/or benefits that are, in the aggregate, either more or less than the amount determined under such paragraph (hereafter referred to as an "Excess Payment" or "Underpayment", as applicable). If Tax Counsel determines that an Excess Payment has been made, then Employee must promptly repay the Excess Payment to the Company, together with interest on the Excess Payment at the applicable federal rate (as defined in Section 1274(d) of the Code) from the date of Employee's receipt of such Excess Payment until the date of such repayment. If Tax Counsel determines that an Underpayment has occurred, Company Group will promptly (but in any event within ten (10) days of such determination) pay to Employee an amount equal to the Underpayment, together with interest on such amount at the applicable federal rate from the date such amount would have been paid to Employee had the provisions of the foregoing paragraph not been applied until the date of payment.

11. Section 409A. The parties intend that any amounts payable hereunder will comply with or be exempt from Section 409A of the Code ("Section 409A") (including under Treasury Regulation §§ 1.409A-1(b)(4) ("short-term deferrals") and (b)(9) ("separation pay plans," including the exceptions under subparagraph (iii) and subparagraph (v)(D)) and other applicable provisions of Treasury Regulation §§ 1.409A-1 through A-6). For purposes of Section 409A, each of the payments that may be made under this Agreement will be deemed to be a separate payment. Employee and Company Group agree to negotiate in good faith to make amendments to the Agreement, as the parties mutually agree are necessary or desirable to avoid the imposition of taxes, penalties or interest under Section 409A. Neither Employee nor the Company Group will have the right to accelerate or defer the delivery of any such payments or benefits except (i) where payment may be made within a certain period of time, the timing of payment within such period will be in the sole discretion of Company Group, and (ii) to the extent specifically permitted or required by Section 409A. With respect to the time of payments of any amounts under the Agreement that are "deferred compensation" subject to Section 409A, references in the Agreement to "termination of employment" (and substantially similar phrases) will mean "separation from service" within the meaning of Section 409A. Notwithstanding anything in this Agreement to the contrary, if Employee is considered a "specified employee" under Section 409A upon his separation from service and if payment of any amounts on account of Employee's separation from service under this Agreement is required to be delayed for a

period of six months after separation from service in order to avoid taxation under Section 409A, payment of such amounts will be delayed as required by Section 409A, and the accumulated amounts will be paid in a lump sum payment within five business days after the end of the six-month delay period. If Employee dies during the six-month delay period prior to the payment of benefits, the amounts withheld on account of Section 409A will be paid to the personal representative of Employee's estate within 60 days after the date of Employee's death. For the avoidance of doubt, it is intended that any expense reimbursement made to Employee hereunder will be exempt from Section 409A. Notwithstanding the foregoing, if any expense reimbursement made hereunder is determined to be "deferred compensation" within the meaning of Section 409A, then (i) the amount of the expense reimbursement during one taxable year will not affect the amount of the expense reimbursement during any other taxable year, (ii) the expense reimbursement will be made on or before the last day of Employee's taxable year following the year in which the expense was incurred and (iii) the right to expense reimbursement hereunder will not be subject to liquidation or exchange for another benefit. While it is intended that all payments and benefits provided to Employee under this Agreement will be exempt from or comply with Section 409A, the Company Group makes no representation or covenant to ensure that such payments and benefits are exempt from or compliant with Section 409A. The Company Group will have no liability to Employee or any other party if a payment or benefit under this Agreement or otherwise is challenged by any taxing authority or is ultimately determined not to be exempt or compliant. Employee further understands and agrees that Employee will be entirely responsible for any and all taxes imposed on Employee as a result of this Agreement.

12. Recoupment. Notwithstanding anything in this Agreement to the contrary, any payments made or granted pursuant to this Agreement will be subject to any recoupment or clawback policy that may be adopted by the Company Group from time to time and to any requirement of applicable law, regulation or listing standard that requires the Company Group to recoup or clawback compensation paid.

13. Key-Person Insurance. The Company Group has the right to insure Employee's life for the sole benefit of the Company Group in such amounts, and with such terms, as it may determine. All premiums payable thereon will be the obligation of the Company Group. Employee will have no interest in any such policy, but Employee agrees to cooperate with the Company Group in taking out such insurance by submitting to physical examinations, supplying all information required by the insurance company, and executing all necessary documents.

ACKNOWLEDGED AND AGREED:

Date: September 20, 2017

LENDINGTREE, INC.
LENDINGTREE, LLC

By: /s/ Claudette Parham
Name: Claudette Parham
Title: Chief Human Resources Officer

EMPLOYEE

By: /s/ Douglas R. Lebda
Name: Douglas R. Lebda
Title: Chairman, Chief Executive Officer & Founder

EXHIBIT A

FORM OF RESTRICTED STOCK AGREEMENT

RESTRICTED STOCK AWARD AGREEMENT

Important Note: You must login to your account at to accept this Award and obtain other important information concerning this Award, such as a copy of the LendingTree, Inc. Fifth Amended and Restated 2008 Stock and Annual Incentive Plan as the same has been amended and restated from time to time up to the date of this Award and the Terms and Conditions for Restricted Stock Awards. Additional copies of these documents are also available on the MyEquity page of the Company intranet or upon request from your Human Resources Department. This Award will not become effective until you login and accept both documents.

This Restricted Stock Award Agreement (the "Agreement") is made between LendingTree, Inc., a Delaware corporation ("LendingTree, Inc." or the "Company"), and Douglas Lebda ("you" or "Employee"). The Grant Date for the Restricted Shares awarded under this Agreement is January 2, 2018.

LendingTree, Inc. sponsors the LendingTree, Inc. Fifth Amended and Restated 2008 Stock and Annual Incentive Plan as the same has been amended and restated from time to time up to the date of this Award (the "2008 Plan"). This Agreement represents an award of Shares of Restricted Stock under the 2008 Plan.

Certain terms and provisions of your employment agreement with LendingTree, LLC, dated September 20, 2017 (the "Employment Agreement"), are applicable to this Restricted Stock Award Agreement as referenced herein. Capitalized terms used (but not defined) in this Award Notice shall have the meanings set forth in the 2008 Plan or in the Employment Agreement as applicable. This Award is the "2018 RSA Grant" as such term is defined in the Employment Agreement and is also referred to herein as the 2018 RSA Grant and this agreement is the Exhibit C that is referenced in the Employment Agreement.

The Shares of Restricted Stock covered by this Agreement are being awarded subject to the following terms and provisions:

1. Subject to the terms and conditions of the 2008 Plan and this Agreement, LendingTree, Inc. awards to you 119,015 Shares of Restricted Stock (the "Restricted Shares"). None of the Restricted Shares are vested as of the date of grant.
2. Nothing in this agreement, these Terms and Conditions, or the 2008 Plan shall confer upon you any right to continue in the employ or service of LendingTree, Inc. or any of its Subsidiaries or Affiliates or interfere in any way with their rights to terminate your employment or service at any time and for any or no reason.
3. Restricted Shares can only become vested under (i) this Section 3 or (ii) Sections 1(a), 1(b), 1(d), or 1(g) of the Standard Terms and Conditions of the Employment Agreement. Until they become vested, the Restricted Shares shall be subject to cancellation and forfeiture in accordance with Section 5 below. You may not sell, transfer, pledge, assign or otherwise alienate or hypothecate any unvested Restricted Shares.

No shares under the 2018 RSA Grant can vest unless and until the "Predicate Vesting Condition" is satisfied. The Predicate Vesting Condition will be achieved if the Company's adjusted earnings before interest, taxes, depreciation, and amortization for either (1) the first fiscal quarter of 2018 is at least \$1 million or (2) for the first and second fiscal quarters of 2018 in the aggregate exceeds \$2 million. If the Predicate Vesting Condition is satisfied under the foregoing clause (1) then 25% of the 2018 RSA Grant will be vested as of the Committee's certification that the Predicate Vesting Condition was achieved and an incremental 5% of the 2018 RSA grant shall vest at the end of each fiscal quarter thereafter commencing with the first such vesting at the end of the second fiscal quarter in 2018. If the Predicate Vesting Condition is satisfied under the foregoing clause (2) then 30% of the 2018 RSA Grant will be vested as of the Committee's certification that the Predicate Vesting Condition was achieved and an incremental 5% of the 2018 RSA grant shall vest at the end of each fiscal quarter thereafter commencing with the first such vesting at the end of the third fiscal quarter in 2018. If the Predicate Vesting Condition is not satisfied then the 2018 RSA Grant will be entirely forfeited without consideration on July 1, 2018. Except for shares that may be sold by Employee or retained by the Company in each case solely in order to satisfy applicable tax withholding, no vested 2018 RSA Grant shares may be sold, transferred or otherwise disposed of by Employee until the earlier of January 2, 2023 or the earlier date of an event occurring under Sections 1(a) through 1(d) or 1(g) of the Standard Terms and Conditions of the Employment Agreement, or a Change of Control of the Company (as defined by the Employment Agreement); provided, that Employee will be permitted to transfer (by gift) vested 2018 RSA Grant shares to a limited liability company owned by a trust solely for the benefit of Employee's heirs of which Employee is the managing member at any time.

Except as may be otherwise provided under Sections 1(a), 1(b), or 1(d) of the Standard Terms and Conditions of the Employment Agreement, no shares under the 2018 RSA Grant will vest after Employee experiences a Termination of Employment and any then unvested shares shall be forfeited without consideration as of such Termination of Employment. For the avoidance of doubt, transfers of employment among LendingTree, Inc. and its Subsidiaries and Affiliates, without any break in service, is not a Termination of Employment.

Any cash dividends declared on the Shares shall be held subject to the vesting of the underlying Restricted Shares in accordance with this Section (and shall be paid only if and when such vesting conditions are satisfied), and subject to any adjustment pursuant to Section 3 of the 2008 Plan, dividends payable in Shares shall be paid in the form of Restricted Shares and shall be similarly held subject to the vesting of the underlying Restricted Shares in accordance with this Section.

4. You agree that you shall comply with (or provide adequate assurance as to future compliance with) all applicable securities laws and income tax laws as determined by LendingTree, Inc. with respect to your receipt of the Restricted Shares. In addition, you agree that, upon request, you will furnish a letter agreement providing that (a) you will not distribute or resell any of said shares in violation of the Securities Act of 1933, as amended, (b) you will indemnify and hold LendingTree, Inc. harmless against all liability for any such violation and (c) you will accept all liability for any such violation. You expressly acknowledge and agree to be bound by Section 14(o) of the 2008 Plan, which contains provisions addressing the Company's policy on recoupment of equity or other compensation.

You represent and warrant that you understand the federal, state and local income tax consequences of the granting of Restricted Shares. Under Section 83 of the Code, the Fair Market Value of the Restricted Shares on the date any forfeiture restrictions applicable to such Restricted Shares lapse will be reportable as ordinary income at that time. You may voluntarily elect to be taxed at the time the Restricted Shares are acquired to the extent that the Fair Market Value of the Restricted Shares exceeds the amount of consideration paid by you (if any) for such Restricted Shares at that time rather than when such Restricted Shares cease to be subject to such forfeiture restrictions, by filing an election under Section 83(b) of the Code with the Internal Revenue Service within thirty (30) days after the Grant Date. YOU ACKNOWLEDGE THAT IT IS YOUR SOLE RESPONSIBILITY, AND NOT LENDINGTREE, INC.'S, TO FILE A TIMELY ELECTION UNDER CODE SECTION 83(b), EVEN IF YOU REQUEST LENDINGTREE, INC. OR ITS REPRESENTATIVES TO MAKE THIS FILING ON YOUR BEHALF. MOREOVER, YOU ARE RELYING SOLELY ON YOUR OWN ADVISORS WITH RESPECT TO THE DECISION AS TO WHETHER OR NOT TO FILE A CODE SECTION 83(b) ELECTION.

5. In order to facilitate the transfer to LendingTree, Inc. of any Shares pursuant to the terms hereof and as a condition of this Award, you shall timely execute the enclosed stock power (Assignment Separate from Certificate). The stock power may be used by LendingTree, Inc. to transfer any unvested Shares to LendingTree, Inc. in accordance with this Section. You further hereby irrevocably appoint (which appointment is coupled with an interest) LendingTree, Inc. as your agent and attorney-in-fact to take any necessary or appropriate action to cause Shares to be returned to LendingTree, Inc. in accordance with this Section, including without limitation executing and delivering stock powers and instruments of transfer, making endorsements and/or making, initiating or issuing instructions or entitlement orders, all in your name and on your behalf. Without limiting the foregoing, you expressly acknowledge and agree that any transfer agent for the Shares is fully authorized and protected in relying on, and shall incur no liability in acting on, any documents, instruments, endorsements, instructions, orders or communications from LendingTree, Inc. in connection with the Shares or the transfer thereof, and that any such transfer agent is a third party beneficiary of this Agreement.
6. In the event of any conflict between this Agreement and the 2008 Plan, the 2008 Plan shall control; provided, that an action or provision that is permissive under the terms of the 2008 Plan, and required under this Agreement, shall not be deemed a conflict and this Agreement shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement are silent, the 2008 Plan shall govern.
7. LendingTree, Inc. may modify, amend or waive the terms of your Restricted Shares, prospectively or retroactively, but no such modification, amendment or waiver shall materially impair your rights without your consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules.
8. Your acceptance of the Restricted Shares constitutes your authorization of the release from time to time to LendingTree, Inc. or any of its Subsidiaries or Affiliates and to the Agent (together, the "Relevant Companies") of any and all personal or professional data that is necessary or desirable for the administration of your Restricted Shares and/or the 2008 Plan (the "Relevant Information"). Without limiting the above, this authorization permits your employing company to collect, process, register and transfer to the Relevant Companies all Relevant Information (including any professional and personal data that may be useful or necessary for the purposes of the administration of the Restricted Shares and/or the 2008 Plan

and/or to implement or structure any further grants of equity awards (if any)). The acceptance of the Restricted Shares also constitutes your authorization of the transfer of the Relevant Information to any jurisdiction in which LendingTree, Inc., your employing company or the Agent considers appropriate. You shall have access to, and the right to change, the Relevant Information, which will only be used in accordance with applicable law.

9. Your Award is not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Code and the rules and regulations issued thereunder (“Section 409A”). In no event shall LendingTree, Inc. be required to pay you any “gross-up” or other payment with respect to any taxes or penalties imposed under Section 409A or Code Sections 280G or 4999 with respect to any amounts or benefits paid to you in respect of your Award.
10. In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Agreement, and the Agreement shall be construed and enforced as if the illegal or invalid provision had not been included. This Agreement and the 2008 Plan, constitutes the final understanding between you and LendingTree, Inc. regarding the Restricted Shares. Any prior agreements, commitments or negotiations concerning the Restricted Shares are superseded.
11. Any certificate(s) for the Restricted Shares may, in the discretion of LendingTree, Inc., be deposited in escrow with the Secretary of LendingTree, Inc. (or his/her designee) to be held until vesting. No stock certificates evidencing Shares free from a restrictive legend shall be delivered to you until you have paid to LendingTree, Inc. the amount that must be withheld with respect to those Shares under federal, state and local income and employment tax laws (the “Applicable Withholding Taxes”) or you and LendingTree, Inc. have made arrangements that are agreed to in writing by LendingTree, Inc. for the payment of such taxes. Unless you inform LendingTree, Inc. in writing before the applicable date of vesting that you will timely pay the Applicable Withholding Taxes amount then due with cash, LendingTree, Inc. shall automatically retain that number of Shares (valued at their Fair Market Value as of the applicable date of vesting of the Restricted Shares) that would satisfy the Applicable Withholding Taxes.
12. On July 25, 2017, the Committee approved the material terms of the 2018 RSA Grant pursuant to a compensation term sheet for you, which term sheet was superseded and replaced in its entirety by the Employment Agreement effective as of September 20, 2017.

IN WITNESS WHEREOF, LendingTree, Inc. has caused this Agreement to be executed by its duly authorized officer, and you have hereunto set your hand, all effective as of the Grant Date listed above. By signing below, you are also acknowledging receipt of copies of the 2008 Plan and the 2008 Plan’s prospectus.

LENDINGTREE, INC.

By: _____
Title: _____

Douglas Lebda

ASSIGNMENT SEPARATE FROM CERTIFICATE

(Stock Power)

FOR VALUE RECEIVED, the undersigned does hereby assign and transfer unto

Name: Douglas Lebda

Address:

Social Security or
Taxpayer Identification Number:

shares of the Stock of

represented by Certificate No(s).

herewith, standing in the name of the undersigned, and does hereby appoint

attorney, with full power of substitution, to transfer said shares on the books of said corporation.

Signature:

Date:

[NAME]

EXHIBIT B

FORM OF PERFORMANCE STOCK OPTION AGREEMENT

**Notice of Performance Stock Option Award Granted Under the
LendingTree, Inc. Fifth Amended and Restated 2008 Stock and Annual Incentive Plan**

Important Note: You must login to your account at to accept this Award and obtain other important information concerning this Award, such as a copy of the LendingTree, Inc. Fifth Amended and Restated 2008 Stock and Annual Incentive Plan as the same has been amended and restated from time to time up to the date of this Award (the “2008 Plan”) and the Terms and Conditions for Restricted Stock Unit Awards (the “Terms and Conditions”). Additional copies of these documents are also available on the MyEquity page of the Company intranet or upon request from your Human Resources Department. This Award will not become effective until you login and accept both documents. You acknowledge that you have received copies of the 2008 Plan and the 2008 Plan’s prospectus.

Award Recipient: Douglas Lebda (also referred to herein as “you” or “Employee”)

Performance Stock Option Award: Under the 2008 Plan:
You have been awarded a nonqualified stock option to acquire **672,499** Shares of LendingTree, Inc. common stock at an “Exercise Price” of **\$183.80** per Share (“Stock Option”). The “Target Shares” for purposes of this Stock Option is 402,694 shares.

Award Date: July 26, 2017

Vesting Schedule: This Stock Option can, subject to the provisions of the 2008 Plan, vest and no longer be subject to any vesting restrictions as described below in the Vesting section.

Expiration Date: The vested portion of this Stock Option will expire upon the earlier of (i) the expiration of the 12-month period following your Termination of Employment for any reason, (ii) the date of Change of Control of the Company (as defined in the Current CiC Letter which is defined below) if this Stock Option is not being assumed, replaced, substituted for or otherwise continued after the Change of Control, or (iii) 10 years from your Award Date (the “Expiration Date”) or except as otherwise provided in the 2008 Plan or the attached Terms and Conditions.

If you do not exercise your vested Stock Option before the Expiration Date, your unexercised Stock Option will be forfeited and canceled in its entirety.

Impact of a Termination of Employment: Except as otherwise provided in the 2008 Plan or your Employment Agreement (as defined below) the unvested portion of this Stock Option will be forfeited without consideration and canceled in its entirety upon your Termination of Employment.

Terms and Conditions: On July 25, 2017, the Compensation Committee of the Board approved the material terms of this Stock Option pursuant to a compensation term sheet for you (the “Term Sheet”). On September 20, 2017, you entered into an employment agreement with the Company and LendingTree, LLC (the “Employment Agreement”), which supersedes and replaces in its entirety the Term Sheet effective as of such date.

Capitalized terms used (but not defined) in this Award Notice shall have the meanings set forth in the 2008 Plan or the Employment Agreement, as applicable.

Your Stock Option is subject to the Terms and Conditions attached hereto and to the 2008 Plan, which are posted on www.benefitaccess.com and incorporated herein by reference, and any employment agreement between you and LendingTree, Inc.. Copies of these documents are also available upon request from your Human Resources Department. In the event of a conflict between the Terms and Conditions and this Notice, this Notice shall control.

Without a complete review of these documents, you will not have a full understanding of all the material terms of your Stock Option.

Terms and Conditions for Stock Option Award

Overview

These Terms and Conditions apply to the stock option (the “Award”) awarded to you by LendingTree, Inc. (“LendingTree, Inc.” or the “Company”) pursuant to the LendingTree, Inc. Fifth Amended and Restated 2008 Stock and Annual Incentive Plan as the same has been amended and restated from time to time (the “2008 Plan”). You were notified of your Award by way of an award notice (the “Award Notice”). This Award is also referred to herein as the “2017 Performance Option”.

Continuous Service

In order for shares subject to this Award to vest and be exercisable, you must not experience a Termination of Employment before the applicable vesting event as set forth in the Vesting section below, except as otherwise provided in the Employment Agreement. Nothing in your Award Notice, these Terms and Conditions, or the 2008 Plan shall confer upon you any right to continue in the employ or service of LendingTree, Inc. or any of its Subsidiaries or Affiliates or interfere in any way with their rights to terminate your employment or service at any time and for any or no reason.

Vesting

For purposes of this Award, “*Base Date*” means July 26, 2017 and “*Base Price*” means the Company’s per common share closing price on the Base Date which was \$183.80.

The 2017 Performance Option has both time and performance based vesting conditions. The performance vesting condition will be based on the Company’s share price growth as compared to the Base Price as measured on a quarterly basis during the five year period after the Base Date and utilizing the below table. The volume weighted average closing per share price of the Company’s stock will be measured during the final 30 trading days in each fiscal quarter commencing with the fourth fiscal quarter of 2017 and for each fiscal quarter through the third fiscal quarter of 2022 (each such measured value is the “VWAP”). To the extent the VWAP has increased over the Base Price for any given quarter per the below table then the applicable percentage of Target Shares (as a cumulative total number of shares) shall be deemed to be “Performance Vested”. Shares that do not become Performance Vested at any time prior to the third fiscal quarter of 2022 shall never become exercisable and shall be forfeited without consideration.

<u>VWAP Increase over Base Price</u>	<u>Percentage of Target Shares That are Performance Vested</u>
Less than 70%	0%
70%	33%
150% (or greater)	167%

Linear interpolation of vesting if VWAP increase over Base Price is between 70% and 150%.

Shares which are Performance Vested shall become vested and exercisable on September 30, 2022 if Employee has not previously experienced a Termination of Employment, subject to the “Termination of Employment” section below.

Termination of Employment

Except as may be otherwise provided under Section 1(a), 1(b) or 1(d) of the Standard Terms and Conditions in the Employment Agreement, no shares under the 2017 Performance Option will vest after Employee experiences a Termination of Employment and any then unvested shares shall be forfeited without consideration as of such Termination of Employment. The then vested portion of this Stock Option may remain exercisable after your Termination of Employment to the extent provided in the “Expiration Date” section above.

For the avoidance of doubt, transfers of employment among the Company and its Subsidiaries and Affiliates, without any break in service, is not a Termination of Employment.

Exercise

When you wish to exercise this Award, you must notify the Company by filing a “Notice of Exercise” in the form prescribed by LendingTree, Inc. at the address given on the form. Your notice must specify how many Shares you wish to purchase and is

subject to the minimum purchase limitation set forth in Plan section 5(g). The notice can only become effective after it is received and approved by the Company. If someone else wants to exercise this Stock Option after your death, that person must prove to the Company's satisfaction that he or she is entitled to do so.

When you submit your Notice of Exercise, you must include payment of the aggregate Exercise Price for the Shares you are purchasing. Payment may be made in one (or a combination) of (i) certified or bank check or (ii) to the extent approved by the Committee by any of the methods described in Plan sections 5(g)(i), 5(g)(ii), or 5(g)(iii).

Taxes and Withholding

No later than the date as of which an amount in respect of any part of this Award first becomes includable in your gross income for federal, state, local or foreign income or employment or other tax purposes, LendingTree, Inc. or its Subsidiaries and/or Affiliates shall, unless prohibited by law, have the right to deduct any federal, state, local or foreign taxes of any kind required by law to be withheld with respect to such amount due to you, including deducting such amount from the delivery of Shares or cash (at the Company's sole discretion) issued upon settlement of the Award that gives rise to the withholding requirement. In the event Shares are deducted to cover tax withholdings, the number of Shares withheld shall generally have a Fair Market Value equal to the aggregate amount of LendingTree, Inc.'s withholding obligation on the date of exercise of the Stock Option. If the event that any such deduction and/or withholding is prohibited by law, you shall, prior to or contemporaneously with the settlement of your Award, be required to pay to LendingTree, Inc., or make arrangements satisfactory to LendingTree, Inc. regarding the payment of, any federal, state, local or foreign taxes of any kind required by law to be withheld with respect to such amount. To the extent approved by the Committee, you may satisfy the applicable tax withholding amounts as permitted under Plan section 14(d).

Non-Transferability of the Award

Your Award shall not be transferable by you by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise except as may be permitted under Plan section 5(j).

No Rights as a Stockholder

Until your Award is exercised and settled with Shares, you shall not be entitled to any rights of a stockholder with respect to the Award (including the right to vote the underlying Shares or receive dividends). Moreover, if LendingTree, Inc. declares and pays dividends on the Common Stock during the Restriction Period, this Award will not be credited with any dividends.

Other Restrictions

The Award shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the Shares of Common Stock subject or related thereto upon any securities exchange or under any state or federal law, or (ii) the consent or approval of any government regulatory body is necessary or desirable as a condition of, or in connection with, the delivery of Shares, then in any such event, the Award and/or any issuance of Shares under the Award shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

Conflicts and Interpretation

In the event of any conflict between these Terms and Conditions and the 2008 Plan, the 2008 Plan shall control; provided, that an action or provision that is permissive under the terms of the 2008 Plan, and required under these Terms and Conditions, shall not be deemed a conflict and these Terms and Conditions shall control. In the event of any ambiguity in these Terms and Conditions, or any matters as to which these Terms and Conditions are silent, the 2008 Plan shall govern. In the event of (i) any conflict between the Award Notice (or any information posted on LendingTree, Inc.'s intranet or given to you directly or indirectly through the Agent (including information posted on <https://www.benefitaccess.com>) and LendingTree, Inc.'s books and records, or (ii) ambiguity in the Award Notice (or any information posted on LendingTree, Inc.'s intranet or given to you directly or indirectly through the Agent (including information posted on <https://www.benefitaccess.com>), LendingTree, Inc.'s books and records shall control.

Amendment

LendingTree, Inc. may modify, amend or waive the terms of your Awards, prospectively or retroactively, but no such modification, amendment or waiver shall materially impair your rights without your consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules.

Data Protection

The acceptance of your Award constitutes your authorization of the release from time to time to LendingTree, Inc. or any of its Subsidiaries or Affiliates and to the Agent (together, the “Relevant Companies”) of any and all personal or professional data that is necessary or desirable for the administration of your Award and/or the 2008 Plan (the “Relevant Information”). Without limiting the above, this authorization permits your employing company to collect, process, register and transfer to the Relevant Companies all Relevant Information (including any professional and personal data that may be useful or necessary for the purposes of the administration of your Award and/or the 2008 Plan and/or to implement or structure any further grants of equity awards (if any)). The acceptance of your Award also constitutes your authorization of the transfer of the Relevant Information to any jurisdiction in which LendingTree, Inc., your employing company or the Agent considers appropriate. You shall have access to, and the right to change, the Relevant Information, which will only be used in accordance with applicable law.

Sections 409A, 280G and 4999 of the Code

Your Award is not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A of the Code and related rules and regulations (“Section 409A”). In no event shall LendingTree, Inc. be required to pay you any “gross-up” or other payment with respect to any taxes or penalties imposed under Section 409A (or Code Section 280G or 4999) with respect to any amounts or benefits paid to you in respect of your Award.

Notification of Changes

Any changes to these Terms and Conditions shall either be posted on LendingTree, Inc.’s intranet or communicated (either directly by LendingTree, Inc. or indirectly through any of its Subsidiaries, Affiliates or the Agent) to you electronically via e-mail (or otherwise in writing) after such change becomes effective.

EXHIBIT C

FORM OF RELEASE AGREEMENT

This Release Agreement ("Release") is entered into as of this _____ day of _____, hereinafter "Execution Date", by and between Douglas R. Lebda (hereinafter "Employee"), and LendingTree, LLC (hereinafter, "LTLLC") and LendingTree, Inc. (hereinafter, the "Company"). Employee, LTLLC and the Company are collectively referred to herein as the "Parties".

1. The Parties were parties to an "Employment Agreement" dated September 20, 2017. Employee's employment with LTLLC was terminated effective [Month, Day, Year] (hereinafter "Termination Date"). The Parties have agreed to avoid and resolve any alleged existing or potential disagreements between them arising out of or connected with Employee's employment with LTLLC including the termination thereof. The Company and LTLLC expressly disclaim any wrongdoing or any liability to Employee. The Company and LTLLC collectively are referred to herein as the "Company Group".

2. The Company or LTLLC agrees to provide Employee the severance benefits provided for in [Section 1(a) of the Standard Terms and Conditions of the Employment Agreement] [Section 1(b) of the Standard Terms and Conditions of the Employment Agreement] [Section 1(d) of the Standard Terms and Conditions of the Employment Agreement] [Section 1(g) of the Standard Terms and Conditions of the Employment Agreement] (the "Severance Benefits") after he executes this Release and does not revoke it as permitted in Section 8 below, the expiration of such revocation period being the "Effective Date").

3. Employee represents that he has not filed, and will not file, any complaints, lawsuits, administrative complaints or charges relating to her employment with, or resignation from, LTLLC, excluding any action to enforce the Employment Agreement as it relates to the provision of the Severance Benefits or to Sections 3A(d) or 9; provided however that nothing contained in this Section 3 will prohibit Employee from bringing a claim to challenge the validity of the ADEA Release in Section 8 herein. Employee hereby releases the Company Group, its subsidiaries, affiliates, and their respective parents, direct or indirect subsidiaries, divisions, affiliates and related companies or entities, regardless of its or their form of business organization, any predecessors, successors, joint ventures, and parents of any such entity, and any and all of their respective past or present shareholders, partners, directors, officers, employees, consultants, independent contractors, trustees, administrators, insurers, agents, attorneys, representatives and fiduciaries, including without limitation all persons acting by, through, under or in concert with any of them (collectively, the "Released Parties"), from any and all claims, charges, complaints, causes of action or demands of whatever kind or nature that Employee now has or has ever had against the Released Parties, whether known or unknown, arising from or relating to Employee's employment with or discharge from LTLLC, including but not limited to: wrongful or tortious termination; constructive discharge; implied or express employment contracts and/or estoppel; discrimination and/or retaliation under any federal, state or local statute or regulation, specifically including any claims Employee may have under the Fair Labor Standards Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964 as amended, and the Family and Medical Leave Act; the discrimination or other employment laws of the State of North Carolina; any claims brought under any federal or state statute or regulation for non-payment of wages or other compensation, including grants of stock options or any other equity compensation; and libel, slander, or breach of contract other than the breach of this Release. This Release specifically excludes claims, charges, complaints, causes of action or demand that post-date the Execution Date.

4. Employee agrees to keep the fact that this Release exists and the terms of this Release in strict confidence except to his immediate family and his financial and legal advisors on a need-to-know basis.

5. Employee warrants that no promise or inducement has been offered for this Release other than as set forth herein and that this Release is executed without reliance upon any other promises or representations, oral or written. Any modification of this Release must be made in writing and be signed by Employee, LTLLC and the Company.

6. Employee will direct all employment verification inquiries to [HR Rep]. In response to inquiries regarding Employee's employment with LTLLC, LTLLC by and through its speaking agent(s) agrees to provide only the following information: Employee's date of hire, the date her employment ended and rates of pay.

7. If any provision of this Release or compliance by Employee or LTLLC or the Company with any provision of the Release constitutes a violation of any law, or is or becomes unenforceable or void, then such provision, to the extent only that it is in violation of law, unenforceable or void, will be deemed modified to the extent necessary so that it is no longer in violation of law, unenforceable or void, and such provision will be enforced to the fullest extent permitted by law. If such modification is not possible, such provision, to the extent that it is in violation of law, unenforceable or void, will be deemed severable from the remaining provisions of this Release, which provisions will remain binding on each of Employee, LTLLC and the Company. This Release is governed by, and construed and interpreted in accordance with the laws of the State of North Carolina, without regard to principles of conflicts of law. Employee consents to venue and personal jurisdiction in the State of North Carolina for disputes

arising under this Release. This Release represents the entire understanding with the Parties with respect to subject matter herein, no oral representations have been made or relied upon by the Parties.

8. In further recognition of the above, Employee hereby releases and discharges the Released Parties from any and all claims, actions and causes of action that he may have against the Released Parties, as of the date of the execution of this Release, arising under the Age Discrimination in Employment Act of 1967, as amended ("ADEA"), and the applicable rules and regulations promulgated thereunder. Employee acknowledges and understands that ADEA is a federal statute that prohibits discrimination on the basis of age in employment, benefits and benefit plans. Employee specifically agrees and acknowledges that: (A) the release in this Section 8 was granted in exchange for the receipt of consideration that exceeds the amount to which he would otherwise be entitled to receive upon termination of his employment; (B) his waiver of rights under this Release is knowing and voluntary as required under the Older Workers Benefit Protection Act; (C) he has read and understands the terms of this Release; (D) he has hereby been advised in writing by the Company Group to consult with an attorney prior to executing this Release; (E) the Company Group has given him a period of up to twenty-one (21) days within which to consider this Release, which period will be waived by Employee's voluntary execution prior to the expiration of the twenty-one day period; and (F) following his execution of this Release he has seven (7) days in which to revoke his release as set forth in this Section 8 only and that, if he chooses not to so revoke, the Release in this Section 8 will then become effective and enforceable and the payment listed above will then be made to him in accordance with the terms of this Release. To cancel this Release, Employee understands that he must give a written revocation to the General Counsel of the Company at [], either by hand delivery or certified mail within the seven-day period. If he rescinds the Release, it will not become effective or enforceable and he will not be entitled to any benefits from the Company Group.

9. EMPLOYEE ACKNOWLEDGES AND AGREES THAT HE HAS CAREFULLY READ AND VOLUNTARILY SIGNED THIS RELEASE, THAT HE HAS HAD AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF HIS/HER CHOICE, AND THAT HE SIGNS THIS RELEASE WITH THE INTENT OF RELEASING LTLCC, THE COMPANY, THEIR AFFILIATES, SUBSIDIARIES AND THEIR RESPECTIVE SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM ANY AND ALL CLAIMS.

ACCEPTED AND AGREED TO:

LendingTree, Inc.
LendingTree, LLC
Dated: _____

Douglas R. Lebda
Dated: _____

CERTIFICATION

I, Douglas R. Lebda, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended September 30, 2017 of LendingTree, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 26, 2017

/s/ Douglas R. Lebda

Douglas R. Lebda

Chairman and Chief Executive Officer
(principal executive officer)

CERTIFICATION

I, J.D. Moriarty, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended September 30, 2017 of LendingTree, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 26, 2017

/s/ J.D. Moriarty

J.D. Moriarty

Chief Financial Officer

(principal financial officer)

**CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Douglas R. Lebda, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2017 of LendingTree, Inc. (the "Report") which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of LendingTree, Inc.

Date: October 26, 2017

/s/ Douglas R. Lebda

Douglas R. Lebda
Chairman and Chief Executive Officer
(principal executive officer)

**CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, J.D. Moriarty, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2017 of LendingTree, Inc. (the "Report") which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of LendingTree, Inc.

Date: October 26, 2017

/s/ J.D. Moriarty

J.D. Moriarty

Chief Financial Officer

(principal financial officer)