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 June 30, 2023
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	26-2414818
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1415 Vantage Park Dr., Suite 700, Charlotte, North Carolina 28203
(Address of principal executive offices)(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	TREE	The Nasdaq Stock Market LLC

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 every Interactive Data File required to be submitted 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 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	☐	Accelerated filer	☒
Non-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 July 24, 2023, there were 12,971,481 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 June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands, except per share amounts)			
Revenue	**$ 182,453**	**$ 261,923**	**$ 382,961**	**$ 545,101**
Costs and expenses:				
Cost of revenue *(exclusive of depreciation and amortization shown separately below)*	9,302	14,574	23,062	30,135
Selling and marketing expense	116,065	184,537	253,176	388,694
General and administrative expense	29,160	40,291	65,843	76,268
Product development	10,601	14,318	25,256	28,370
Depreciation	4,684	4,896	9,479	9,750
Amortization of intangibles	1,982	7,075	4,031	14,992
Restructuring and severance	3,558	135	8,012	3,760
Litigation settlements and contingencies	488	(7)	500	(34)
Total costs and expenses	**175,840**	**265,819**	**389,359**	**551,935**
Operating income (loss)	**6,613**	**(3,896)**	**(6,398)**	**(6,834)**
Other income (expense), net:				
Interest (expense) income, net	(6,940)	(6,765)	18,089	(14,270)
Other income	439	284	2,273	283
Income (loss) before income taxes	**112**	**(10,377)**	**13,964**	**(20,821)**
Income tax (expense) benefit	(227)	2,339	(622)	1,957
Net (loss) income and comprehensive (loss) income	**$ (115)**	**$ (8,038)**	**$ 13,342**	**$ (18,864)**
Weighted average shares outstanding:				
Basic	12,915	12,723	12,881	12,812
Diluted	12,915	12,723	12,912	12,812
Net (loss) income per share:				
Basic	$ (0.01)	$ (0.63)	$ 1.04	$ (1.47)
Diluted	$ (0.01)	$ (0.63)	$ 1.03	$ (1.47)

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

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

	June 30, 2023	December 31, 2022
	(in thousands, except par value and share amounts)	
ASSETS:		
Cash and cash equivalents	$ 162,641	$ 298,845
Restricted cash and cash equivalents	34	124
Accounts receivable (net of allowance of $2,609 and $2,317, respectively)	75,710	83,060
Prepaid and other current assets	26,045	26,250
Assets held for sale (Note 7)	—	5,689
Total current assets	**264,430**	**413,968**
Property and equipment (net of accumulated depreciation of $35,865 and $33,851, respectively)	56,549	59,160
Operating lease right-of-use assets	64,415	67,050
Goodwill	420,139	420,139
Intangible assets, net	54,284	58,315
Equity investments	173,140	174,580
Other non-current assets	6,182	6,101
Total assets	**$ 1,039,139**	**$ 1,199,313**
LIABILITIES:		
Current portion of long-term debt	$ 2,500	$ 2,500
Accounts payable, trade	3,174	2,030
Accrued expenses and other current liabilities	74,204	75,095
Liabilities held for sale (Note 7)	—	2,909
Total current liabilities	**79,878**	**82,534**
Long-term debt	625,240	813,516
Operating lease liabilities	84,599	88,232
Deferred income tax liabilities	7,369	6,783
Other non-current liabilities	338	308
Total liabilities	**797,424**	**991,373**
Commitments and contingencies (Note 14)		
SHAREHOLDERS' EQUITY:		
Preferred stock $0.01 par value; 5,000,000 shares authorized; none issued or outstanding	—	—
Common stock $0.01 par value; 50,000,000 shares authorized; 16,323,675 and 16,167,184 shares issued, respectively, and 12,968,209 and 12,811,718 shares outstanding, respectively	163	162
Additional paid-in capital	1,209,687	1,189,255
Accumulated deficit	(701,957)	(715,299)
Treasury stock; 3,355,466 and 3,355,466 shares, respectively	(266,178)	(266,178)
Total shareholders' equity	**241,715**	**207,940**
Total liabilities and shareholders' equity	**$ 1,039,139**	**$ 1,199,313**

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

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

		Common Stock				Treasury Stock	
	Total	Number of Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Number of Shares	Amount
				(in thousands)			
Balance as of December 31, 2022	**$ 207,940**	**16,167**	**$ 162**	**$ 1,189,255**	**$ (715,299)**	**3,355**	**$ (266,178)**
Net income and comprehensive income	13,457	—	—	—	13,457	—	—
Non-cash compensation	11,274	—	—	11,274	—	—	—
Issuance of common stock for stock options, restricted stock awards and restricted stock units, net of withholding taxes	(1,693)	98	1	(1,694)	—	—	—
Other	1	—	—	1	—	—	—
Balance as of March 31, 2023	**$ 230,979**	**16,265**	**$ 163**	**$ 1,198,836**	**$ (701,842)**	**3,355**	**$ (266,178)**
Net income and comprehensive income	(115)	—	—	—	(115)	—	—
Non-cash compensation	10,199	—	—	10,199	—	—	—
Purchase of treasury stock	—	—	—	—	—	—	—
Issuance of common stock for stock options, employee stock purchase plan, restricted stock awards and restricted stock units, net of withholding taxes	652	59	—	652	—	—	—
Other	—	—	—	—	—	—	—
Balance as of June 30, 2023	**$ 241,715**	**16,324**	**$ 163**	**$ 1,209,687**	**$ (701,957)**	**3,355**	**$ (266,178)**

		Common Stock				Treasury Stock	
	Total	Number of Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Number of Shares	Amount
				(in thousands)			
Balance as of December 31, 2021	**$ 447,992**	**16,071**	**$ 161**	**$ 1,242,794**	**$ (571,794)**	**2,976**	**$ (223,169)**
Net loss and comprehensive loss	(10,826)	—	—	—	(10,826)	—	—
Non-cash compensation	15,080	—	—	15,080	—	—	—
Purchase of treasury stock	(43,009)	—	—	—	—	379	(43,009)
Issuance of common stock for stock options, restricted stock awards and restricted stock units, net of withholding taxes	(3,086)	49	—	(3,086)	—	—	—
Cumulative effect adjustment due to ASU 2020-06	(65,303)	—	—	(109,750)	44,447	—	—
Balance as of March 31, 2022	**$ 340,848**	**16,120**	**$ 161**	**$ 1,145,038**	**$ (538,173)**	**3,355**	**$ (266,178)**
Net income and comprehensive income	(8,038)	—	—	—	(8,038)	—	—
Non-cash compensation	17,335	—	—	17,335	—	—	—
Purchase of treasury stock	—	—	—	—	—	—	—
Issuance of common stock for stock options, restricted stock awards and restricted stock units, net of withholding taxes	341	21	—	341	—	—	—
Balance as of June 30, 2022	**$ 350,486**	**16,141**	**$ 161**	**$ 1,162,714**	**$ (546,211)**	**3,355**	**$ (266,178)**

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

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

	Six Months Ended June 30,	
	2023	2022
	(in thousands)	
Cash flows from operating activities:		
Net income (loss) and comprehensive income (loss)	**$ 13,342**	**$ (18,864)**
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Loss on impairments and disposal of assets	5,167	3,427
Amortization of intangibles	4,031	14,992
Depreciation	9,479	9,750
Non-cash compensation expense	21,473	32,415
Deferred income taxes	586	(2,026)
Bad debt expense	1,894	2,029
Amortization of debt issuance costs	2,736	4,454
Write-off of previously-capitalized debt issuance costs	2,373	—
Amortization of debt discount	—	1,475
Reduction in carrying amount of ROU asset, offset by change in operating lease liabilities	(1,923)	(333)
Gain on settlement of convertible debt	(34,308)	—
Loss on impairment of investments	1,440	—
Changes in current assets and liabilities:		
Accounts receivable	6,809	(19,812)
Prepaid and other current assets	280	(5,593)
Accounts payable, accrued expenses and other current liabilities	(4,337)	(5,226)
Income taxes receivable	(227)	(293)
Other, net	(591)	(302)
Net cash provided by operating activities	**28,224**	**16,093**
Cash flows from investing activities:		
Capital expenditures	(4,853)	(6,346)
Equity investments	—	(16,440)
Net cash used in investing activities	**(4,853)**	**(22,786)**
Cash flows from financing activities:		
Proceeds from term loan	—	250,000
Repayment of term loan	(1,250)	—
Payments related to net-share settlement of stock-based compensation, net of proceeds from exercise of stock options	(1,042)	(2,745)
Purchase of treasury stock	—	(43,009)
Repurchase of 0.50% Convertible Senior Notes	(156,294)	—
Repayment of 0.625% Convertible Senior Notes	—	(169,659)
Payment of debt costs	(1,079)	(3)
Net cash (used in) provided by financing activities	**(159,665)**	**34,584**
Net (decrease) increase in cash, cash equivalents, restricted cash and restricted cash equivalents	**(136,294)**	**27,891**
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	298,969	251,342
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	**$ 162,675**	**$ 279,233**

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. is the parent of LT Intermediate Company, LLC, which holds all of the outstanding ownership interests of LendingTree, LLC, and LendingTree, LLC owns several companies (collectively, “LendingTree” or the “Company”).

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

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

Basis of Presentation

The accompanying unaudited interim consolidated financial statements as of June 30, 2023 and for the three and six months ended June 30, 2023 and 2022, 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 six months ended June 30, 2023 are not necessarily indicative of the results to be expected for the year ending December 31, 2023, or any other period. The accompanying consolidated balance sheet as of December 31, 2022 was derived from audited financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 (the “2022 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 2022 Annual Report. The Company reclassified certain amounts in the prior year consolidated statements of operations and comprehensive income and consolidated statement of cash flows to be consistent with the current year presentation.

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 include: 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; litigation accruals; contract assets; various other allowances, reserves and accruals; assumptions related to the determination of stock-based compensation; and the determination of right-of-use assets and lease liabilities.

The Company considered the impact of the current economic conditions, including interest rates, inflation, and the COVID-19 pandemic on the assumptions and estimates used when preparing its consolidated financial statements including, but not limited to, the allowance for doubtful accounts, valuation allowances, contract asset, and the recoverability of long-lived assets, goodwill and intangible assets. These assumptions and estimates may change as new events occur and additional information is obtained. If economic conditions worsen, such future changes may have an adverse impact on the Company's results of operations, financial position and liquidity.

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 June 30, 2023, 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 requires certain Network Partners 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 marketplace.

Lenders and lead purchasers 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 and lead purchasers 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 and other products from Network Partners without utilizing the Company's services, the Company's ability to generate revenue may be limited. Because the Company does not have exclusive relationships with the Network Partners whose loans and other financial products are offered on its online marketplace, consumers may obtain offers from these Network Partners without using its service.

Other than a support services office in India, the Company's operations are geographically limited to and dependent upon the economic condition of the United States.

Litigation Settlements and Contingencies

Litigation settlements and contingencies consists of expenses related to actual or anticipated litigation settlements.

Recently Adopted Accounting Pronouncements

In August 2020, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") 2020-06, which simplifies the accounting for convertible instruments, amends the derivatives scope exception guidance for contracts in an entity’s own equity, and amends the related earnings-per-share guidance. Under the new guidance, the embedded conversion features are no longer separated from the host contract for convertible instruments with conversion features that are not required to be accounted for as derivatives under Topic 815, or that do not result in substantial premiums accounted for as paid-in capital. As a result, a convertible debt instrument will be accounted for as a single liability measured at its amortized cost, as long as no other features require bifurcation and recognition as derivatives. The Company adopted ASU 2020-06 on January 1, 2022 using the modified retrospective transition approach and recognized the cumulative effect of initially applying ASU 2020-06 as a $44.4 million adjustment to the opening balance of accumulated deficit, comprised of $60.8 million for the interest adjustment, net of $16.4 million for the related tax impacts. The recombination of the equity conversion component of the Company's convertible debt remaining outstanding caused a reduction in additional paid-in capital and an increase in deferred income tax assets. The removal of the remaining debt discounts recorded for this previous separation had the effect of increasing our net debt balance. ASU 2020-06 also requires the dilutive impact of convertible debt instruments to utilize the if-converted method when calculating diluted earnings per share and the result is more dilutive. The adoption of ASU 2020-06 did not impact the Company's cash flows or compliance with debt covenants.

Recently Issued Accounting Pronouncements

The Company has considered the applicability of recently issued accounting pronouncements by the Financial Accounting Standards Board and have determined that they are either not applicable or are not expected to have a material impact on the Company's consolidated financial statements.

NOTE 3—REVENUE

Revenue is as follows *(in thousands)*:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Home	$ 41,563	$ 73,938	$ 85,238	$ 175,882
Credit cards	21,083	27,306	39,371	57,128
Personal loans	28,137	42,298	51,736	77,508
Other Consumer	33,257	36,540	71,079	72,576
Total Consumer	82,477	106,144	162,186	207,212
Insurance	58,398	81,756	135,480	161,794
Other	15	85	57	213
Total revenue	**$ 182,453**	**$ 261,923**	**$ 382,961**	**$ 545,101**

The Company derives its revenue primarily from match fees and closing fees. Revenue is recognized when performance obligations under the terms of a contract with a customer are satisfied and promised services have transferred to the customer. The Company's services are generally transferred to the customer at a point in time.

Revenue from Home products is primarily generated from upfront match fees paid by mortgage Network Partners that receive a loan request, and in some cases upfront fees for clicks or call transfers. Match fees and upfront fees for clicks and call transfers are earned through the delivery of loan requests that originated through the Company's websites or affiliates. The Company recognizes revenue at the time a loan request is delivered to the customer, provided that no significant obligations remain. The Company's contractual right to the match fee consideration is contemporaneous with the satisfaction of the performance obligation to deliver a loan request to the customer.

Revenue from Consumer products is generated by match and other upfront fees for clicks or call transfers, as well as from closing fees, approval fees and upfront service and subscription fees. Closing fees are derived from lenders on certain auto loans, business loans, personal loans, and student loans when the lender funds a loan with the consumer. Approval fees are derived from credit card issuers when the credit card consumer receives card approval from the credit card issuer. Upfront service fees and subscription fees are derived from consumers in the Company's credit services product. Upfront fees paid by consumers are recognized as revenue over the estimated time the consumer will remain a customer and receive services. Subscription fees are recognized over the period a consumer is receiving services. As of the second quarter of 2023, the Company discontinued providing its credit services product to consumers and no longer receives upfront and subscription fees.

The Company recognizes revenue on closing fees and approval fees at the point when a loan request or a credit card consumer is delivered to the customer. The Company's contractual right to closing fees and approval fees is not contemporaneous with the satisfaction of the performance obligation to deliver a loan request or a credit card consumer to the customer. As such, the Company records a contract asset at each reporting period-end related to the estimated variable consideration on closing fees and approval fees for which the Company has satisfied the related performance obligation but are still pending the loan closing or credit card approval before the Company has a contractual right to payment. This estimate is based on the Company's historical closing rates and historical time between when a consumer request for a loan or credit card is delivered to the lender or card issuer and when the loan is closed by the lender or approved by the card issuer.

Revenue from the Company's Insurance products is primarily generated from upfront match fees and upfront fees for website clicks or fees for calls. Match fees and upfront fees for clicks and call transfers are earned through the delivery of consumer requests that originated through the Company's websites or affiliates. The Company recognizes revenue at the time a consumer request is delivered to the customer, provided that no significant obligations remain. The Company's contractual right to the match fee consideration is contemporaneous with the satisfaction of the performance obligation to deliver a consumer request to the customer.

The contract asset recorded within prepaid and other current assets on the consolidated balance sheets related to estimated variable consideration was $13.5 million and $12.2 million at June 30, 2023 and December 31, 2022, respectively.

The contract liability recorded within accrued expenses and other current liabilities on the consolidated balance sheets related to upfront fees paid by consumers was $0.9 million at December 31, 2022. During the second quarter and first six months of 2023, the Company recognized revenue of $0.1 million and $0.9 million, respectively, that was included in the contract liability balance at December 31, 2022. During the second quarter and first six months of 2022, the Company recognized revenue of $0.1 million and $0.8 million that was included in the contract liability balance at December 31, 2021.

Revenue recognized in any reporting period includes estimated variable consideration for which the Company has satisfied the related performance obligations but are still pending the occurrence or non-occurrence of a future event outside the Company's control (such as lenders providing loans to consumers or credit card approvals of consumers) before the Company has a contractual right to payment. The Company recognized decreases to such revenue from prior periods. This decrease was $0.9 million in the second quarter of 2023, and not material in the second quarter of 2022.

NOTE 4—CASH AND RESTRICTED CASH

Total cash, cash equivalents, restricted cash and restricted cash equivalents consist of the following *(in thousands)*:

	June 30, 2023	December 31, 2022
Cash and cash equivalents	$ 162,641	$ 298,845
Restricted cash and cash equivalents	34	124
Total cash, cash equivalents, restricted cash and restricted cash equivalents	**$ 162,675**	**$ 298,969**

NOTE 5—ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivable are stated at amounts due from customers, net of an allowance for doubtful accounts.

The Company determines its allowance for doubtful accounts by considering a number of factors, including the length of time accounts receivable are past due, previous loss history, current and expected economic conditions and the specific customer's current and expected ability to pay its obligation. Accounts receivable are considered past due when they are outstanding longer than the contractual payment terms. Accounts receivable are written off when management deems them uncollectible.

A reconciliation of the beginning and ending balances of the allowance for doubtful accounts is as follows *(in thousands)*:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Balance, beginning of the period	**$ 2,688**	**$ 1,803**	**$ 2,317**	**$ 1,456**
Charges to earnings	931	1,179	1,894	2,029
Write-off of uncollectible accounts receivable	(1,010)	(682)	(1,973)	(1,185)
Assets held for sale (Note 7)	—	—	371	—
Balance, end of the period	**$ 2,609**	**$ 2,300**	**$ 2,609**	**$ 2,300**

NOTE 6—GOODWILL AND INTANGIBLE ASSETS

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

	June 30, 2023	December 31, 2022
Goodwill	$ 903,227	$ 903,227
Accumulated impairment losses	(483,088)	(483,088)
Net goodwill	**$ 420,139**	**$ 420,139**
Intangible assets with indefinite lives	$ 10,142	$ 10,142
Intangible assets with definite lives, net	44,142	48,173
Total intangible assets, net	**$ 54,284**	**$ 58,315**

Goodwill and Indefinite-Lived Intangible Assets

The Company's goodwill at each of June 30, 2023 and December 31, 2022 consists of $59.3 million associated with the Home segment, $166.1 million associated with the Consumer segment, and $194.7 million associated with the Insurance segment.

At June 30, 2022, the Company assessed the qualitative factors in its impairment testing of goodwill and determined that the effects of the challenging interest rate environment, consumer price inflation, and the decline in the Company's market capitalization required a quantitative impairment test be performed. The quantitative goodwill impairment test found that the fair value of each reporting unit exceeded its carrying amount, indicating no goodwill impairment. The Company will monitor the recovery of the Insurance reporting unit and the Mortgage reporting unit. The property and casualty auto industry is experiencing challenges caused by inflation, supply chain challenges, and rising severity and frequency of claims. Additionally, the significant increase in mortgage interest rates have had a negative impact on the Mortgage reporting unit. Changes in the timing of the recovery compared to current expectations could cause an impairment to the Insurance or Mortgage reporting unit.

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
Customer lists	77,300	(33,830)	43,470
Trademarks and tradenames	9,100	(8,428)	672
Balance at June 30, 2023	**$ 86,400**	**$ (42,258)**	**$ 44,142**

	Cost	Accumulated Amortization	Net
Customer lists	$ 77,300	$ (30,775)	$ 46,525
Trademarks and tradenames	10,100	(8,452)	1,648
Balance at December 31, 2022	**$ 87,400**	**$ (39,227)**	**$ 48,173**

Amortization of intangible assets with definite lives is computed on a straight-line basis and, based on balances as of June 30, 2023, future amortization is estimated to be as follows *(in thousands)*:

		Amortization Expense
Remainder of current year	$	3,664
Year ending December 31, 2024		5,889
Year ending December 31, 2025		5,830
Year ending December 31, 2026		5,504
Year ending December 31, 2027		5,198
Thereafter		18,057
Total intangible assets with definite lives, net	**$**	**44,142**

See Note 7—Assets and Liabilities Held for Sale for intangible assets with definite lives classified as held for sale.

NOTE 7—ASSETS AND LIABILITIES HELD FOR SALE

In the fourth quarter of 2022, the Company approved a plan to sell its Ovation credit services business, an asset group associated with the Company's Consumer segment. The asset group was expected to be sold in 2023 to an unrelated third party and is classified, at its carrying value, as current assets held for sale and current liabilities held for sale in the consolidated balance sheet as of December 31, 2022.

In the first quarter of 2023, the third party withdrew the letter of intent to purchase the asset group held for sale. The Company made the decision to close the Ovation credit services business. As a result, the Company recorded asset impairment charges of $4.2 million, of which $2.1 million related to intangible assets, $1.7 million related to property and equipment, and $0.4 million related to an operating lease right-of-use asset.

The carrying value of the accounts receivable, prepaid and other assets, and other non-current assets previously held for sale, and the liabilities previously held for sale approximate their fair value and were no longer classified as assets and liabilities held for sale in the consolidated balance sheet as of March 31, 2023.

The following table presents information related to the major classes of assets and liabilities that were classified as held for sale *(in thousands)*:

		December 31, 2022
Accounts receivable, net of allowance	$	1,353
Prepaid and other current assets		79
Property and equipment, net of accumulated depreciation of $1,102		1,665
Operating lease right-of-use assets		436
Intangible assets, net of accumulated amortization of $3,857		2,143
Other non-current assets		13
Total assets held for sale	**$**	**5,689**
Accounts payable, trade	$	253
Accrued expenses and other current liabilities		2,551
Operating lease liabilities		105
Total liabilities held for sale	**$**	**2,909**

NOTE 8—EQUITY INVESTMENT

The investments in equity securities do not have a readily determinable fair value and, upon their acquisition, the Company elected the measurement alternative to value its securities. The equity securities will be carried at cost less impairment, if any, and subsequently measured to fair value upon observable price changes in an orderly transaction for the identical or similar investments with any gains or losses recorded to the consolidated statement of operations and comprehensive income. In the second quarter of 2023, the Company recorded an impairment charge of $1.4 million on one of its investments. The impairment is included within other income on the consolidated statement of operations and comprehensive income. As of December 31, 2022, there had been no impairments to the acquisition cost of the equity securities.

NOTE 9—ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

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

	June 30, 2023	December 31, 2022
Accrued advertising expense	$ 35,294	$ 37,703
Accrued compensation and benefits	10,497	11,444
Accrued professional fees	1,387	1,393
Customer deposits and escrows	7,459	7,273
Contribution to LendingTree Foundation	—	500
Current lease liabilities	8,777	8,513
Accrued restructuring and severance	2,608	304
Other	8,182	7,965
Total accrued expenses and other current liabilities	**$ 74,204**	**$ 75,095**

See Note 7—Assets and Liabilities Held for Sale for accrued expenses and other current liabilities classified as held for sale.

NOTE 10—SHAREHOLDERS' EQUITY

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Weighted average basic common shares	**12,915**	**12,723**	**12,881**	**12,812**
Effect of stock options	—	—	10	—
Effect of dilutive share awards	—	—	21	—
Weighted average diluted common shares	**12,915**	**12,723**	**12,912**	**12,812**

For the second quarter of 2023, the Company was in a net loss position and, as a result, no potentially dilutive securities were included in the denominator for computing diluted loss per share, because the impact would have been anti-dilutive. Accordingly, the weighted average basic shares outstanding was used to compute loss per share. For the second quarter of 2023, the weighted average shares that were anti-dilutive, and therefore excluded from the calculation of diluted income per share, included options to purchase 1.2 million shares of common stock and 0.6 million restricted stock units. For the first six months of 2023, the weighted average shares that were anti-dilutive, and therefore excluded from the calculation of diluted income per share, included options to purchase 1.0 million shares of common stock and 0.5 million restricted stock units.

For the second quarter and first six months of 2022, the Company was in a net loss position and, as a result, no potentially dilutive securities were included in the denominator for computing diluted loss per share, because the impact would have been anti-dilutive. Accordingly, the weighted average basic shares outstanding was used to compute loss per share. Approximately 0.2 million shares related to potentially dilutive securities were excluded from the calculation of diluted loss per share for the second quarter and first six months of 2022 because their inclusion would have been anti-dilutive. For the second quarter of 2022, the weighted average shares that were anti-dilutive, and therefore excluded from the calculation of diluted income per share, included options to purchase 1.0 million shares of common stock and 0.5 million restricted stock units. For the first six months of 2022, the weighted average shares that were anti-dilutive, and therefore excluded from the calculation of diluted income per share, included options to purchase 1.0 million and 0.4 million restricted stock units.

The convertible notes and the warrants issued by the Company could be converted into the Company’s common stock, subject to certain contingencies. *See* Note 13—Debt for additional information. On January 1, 2022, the Company adopted ASU 2020-06 using the modified retrospective method. Following the adoption, the if-converted method is used for diluted net income per share calculation of our convertible notes. Prior to the adoption of ASU 2020-06 the dilutive impact of the convertible notes was calculated using the treasury stock method. *See* Note 2—Significant Accounting Policies for additional information.

Approximately 0.8 million and 1.2 million shares related to the potentially dilutive shares of the Company's common stock associated with the 0.50% Convertible Senior Notes due July 15, 2025 were excluded from the calculation of diluted loss (income) per share for the second quarter and first six months of 2023, respectively, because their inclusion would have been anti-dilutive. Approximately 2.1 million shares related to the potentially dilutive shares of the Company's common stock associated with the 0.50% Convertible Senior Notes due July 15, 2025 and the 0.625% Convertible Senior Notes due June 1, 2022 were excluded from the calculation of diluted loss per share for the second quarter and first six months of 2022 because their inclusion would have been anti-dilutive. Shares of the Company's stock associated with the warrants issued by the Company in 2020 were excluded from the calculation of diluted loss per share for the second quarter and first six months of 2023, and shares of the Company's stock associated with the warrants issued by the Company in 2017 and 2020 were excluded from the calculation of diluted loss per share for the second quarter and first six months of 2022 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 during the relevant periods.

Common Stock Repurchases

In each of February 2018 and February 2019, the board of directors authorized and the Company announced the repurchase of up to $100.0 million and $150.0 million, respectively, of LendingTree's common stock. During the first six months of 2023, the Company did not repurchase shares of its common stock. During the first six months of 2022, the Company repurchased 379,895 shares of its common stock pursuant to the stock repurchase program. At June 30, 2023, approximately $96.7 million of the previous authorizations to repurchase common stock remain available.

NOTE 11—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 June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cost of revenue	$ 31	$ 442	$ 245	$ 835
Selling and marketing expense	1,336	2,285	3,080	4,324
General and administrative expense	6,550	11,873	13,893	21,473
Product development	1,287	2,735	3,189	4,700
Restructuring and severance	995	—	1,066	1,083
Total non-cash compensation	**$ 10,199**	**$ 17,335**	**$ 21,473**	**$ 32,415**

Stock Options

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

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value(a)
		(per option)	*(in years)*	*(in thousands)*
Options outstanding at January 1, 2023	**805,079**	**$ 155.10**		
Granted	—	—		
Exercised	—	—		
Forfeited	(7,763)	132.89		
Expired	(49,250)	224.70		
Options outstanding at June 30, 2023	**748,066**	**150.75**	**4.78**	**$ —**
Options exercisable at June 30, 2023	**569,185**	**$ 129.77**	**3.80**	**$ —**

(a) The aggregate intrinsic value represents the total pre-tax intrinsic value (the difference between the Company's closing stock price of $22.11 on the last trading day of the quarter ended June 30, 2023 and the exercise price, multiplied by the number of shares covered by in-the-money options) that would have been received by the option holder had the option holder exercised these options on June 30, 2023. The intrinsic value changes based on the market value of the Company's common stock.

Stock Options with Market Conditions

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

	Number of Options with Market Conditions	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value(a)
		(per option)	*(in years)*	*(in thousands)*
Options outstanding at January 1, 2023	**734,685**	**$ 230.79**		
Granted	—	—		
Exercised	—	—		
Forfeited	—	—		
Expired	(16,247)	308.96		
Options outstanding at June 30, 2023	**718,438**	**229.02**	**5.18**	**$ —**
Options exercisable at June 30, 2023	**481,669**	**$ 195.10**	**4.10**	**$ —**

(a) The aggregate intrinsic value represents the total pre-tax intrinsic value (the difference between the Company's closing stock price of $22.11 on the last trading day of the quarter ended June 30, 2023 and the exercise price, multiplied by the number of shares covered by in-the-money options) that would have been received by the option holder had the option holder exercised these options on June 30, 2023. The intrinsic value changes based on the market value of the Company's common stock.

As of June 30, 2023, a maximum of 395,404 shares may be earned for achieving superior performance up to 167% of the remaining unvested target number of shares. As of June 30, 2023, no additional performance-based nonqualified stock options with a market condition had been earned.

Restricted Stock Units

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

	RSUs	
	Number of Units	Weighted Average Grant Date Fair Value
		(per unit)
Nonvested at January 1, 2023	**485,053**	**$ 127.46**
Granted	389,738	32.71
Vested	(175,087)	138.76
Forfeited	(104,948)	74.16
Nonvested at June 30, 2023	**594,756**	**$ 71.79**

Restricted Stock Units with Performance Conditions

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

	RSUs with Performance Conditions	
	Number of Units	Weighted Average Grant Date Fair Value
		(per unit)
Nonvested at January 1, 2023	**16,000**	**$ 83.25**
Granted	—	—
Vested	—	—
Forfeited	(16,000)	83.25
Nonvested at June 30, 2023	**—**	**$ —**

Employee Stock Purchase Plan

In 2021, the Company implemented an employee stock purchase plan ("ESPP"), under which a total of 262,731 shares of the Company's common stock were reserved for issuance. As of June 30, 2023, 190,277 shares of common stock were available for issuance under the ESPP. The ESPP is a tax-qualified plan under Section 423 of the Internal Revenue Code. Under the terms of the ESPP, eligible employees are granted options to purchase shares of the Company's common stock at 85% of the lesser of (1) the fair market value at time of grant or (2) the fair market value at time of exercise. The offering periods and purchase periods are typically six-month periods ending on June 30 and December 31 of each year. During the six months ended June 30, 2023, 36,536 shares were issued under the ESPP.

During the six months ended June 30, 2023 and 2022, the Company granted employee stock purchase rights to certain employees with a grant date fair value per share of $8.19 and $35.43, respectively, calculated using the Black-Scholes option pricing model. For purposes of determining stock-based compensation expense, the grant date fair value per share estimated using the Black-Scholes option pricing model required the use of the following key assumptions:

	Six Months Ended June 30,	
	2023	2022
Expected term [(1)]	0.50 years	0.50 years
Expected dividend [(2)]	—	—
Expected volatility [(3)]	82 %	49%
Risk-free interest rate [(4)]	4.76 %	0.19%

(1) The expected term was calculated using the time period between the grant date and the purchase date.

(2) No dividends are expected to be paid, 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 employee stock purchase rights, in effect at the grant date.

NOTE 12—INCOME TAXES

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands, except percentages)			
Income tax (expense) benefit	$ (227)	$ 2,339	$ (622)	$ 1,957
Effective tax rate	*202.7 %*	*22.5 %*	*4.5 %*	*9.4 %*

For the second quarter and first six months of 2023, the effective tax rate varied from the federal statutory rate of 21% primarily due to the change in the valuation allowance, net of the current period change in tax effected net indefinite-lived intangibles. For the second quarter and first six months of 2022, the effective tax rate varied from the federal statutory rate of 21% primarily due to excess tax expense of $0.4 million and $2.9 million, resulting from vesting of restricted stock in accordance with ASU 2016-09 and the effect of state taxes.

The Company has a valuation allowance against the net deferred tax assets, with the exception of the deferred tax liabilities that result from indefinite-life intangibles. The Company has determined that using the general methodology for calculating income taxes during an interim period for the quarter ending June 30, 2023 provided for a wide range of potential annual effective rates. Therefore, the Company has calculated the tax provision on a discrete basis under ASC 740-270-30- 36(b) for the quarter ending June 30, 2023. At September 30, 2022, the Company recorded a net deferred tax asset of zero as the cumulative net deferred tax asset had a full valuation on it and there was not enough positive evidence that would warrant recognizing the benefit of the net deferred tax asset. In addition, the net indefinite lived deferred tax items were determined to be a net liability resulting in the recognition of a deferred tax liability.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands)			
Income tax benefit - excluding excess tax expense on stock compensation	$ (227)	$ 2,777	$ (622)	$ 4,863
Excess tax expense on stock compensation	—	(438)	—	(2,906)
Income tax (expense) benefit	$ (227)	$ 2,339	$ (622)	$ 1,957

NOTE 13—DEBT

Convertible Senior Notes

2025 Notes

On July 24, 2020, the Company issued $575.0 million aggregate principal amount of its 0.50% Convertible Senior Notes due July 15, 2025 (the “2025 Notes”) in a private placement. The 2025 Notes bear interest at a rate of 0.50% per year, payable semi-annually on January 15 and July 15 of each year, beginning on January 15, 2021. The 2025 Notes will mature on July 15, 2025, unless earlier repurchased, redeemed or converted. The initial conversion rate of the 2025 Notes is 2.1683 shares of the Company's common stock per $1,000 principal amount of 2025 Notes (which is equivalent to an initial conversion price of approximately $461.19 per share).

On March 8, 2023, the Company repurchased approximately $190.6 million in principal amount of its 2025 Notes, through individual privately-negotiated transactions with certain holders of the 2025 Notes, for $156.3 million in cash plus accrued and unpaid interest of approximately $0.1 million. In the first quarter of 2023, the Company recognized a gain on the extinguishment of debt of $34.3 million, a loss on the write-off of unamortized debt issuance costs of $2.4 million and incurred debt repayment costs of $1.0 million, all of which are included in interest income/expense, net in the consolidated statements of operations and comprehensive income.

Holders of the 2025 Notes were not entitled to convert the 2025 Notes during the calendar quarter ended June 30, 2023 as the last reported sale price of the Company's common stock, for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on March 31, 2023, was not greater than or equal to 130% of the conversion price of the 2025 Notes on each applicable trading day.

In the first six months of 2023, the Company recorded interest expense on the 2025 Notes of $2.3 million which consisted of $1.1 million associated with the 0.50% coupon rate and $1.2 million associated with the amortization of the debt issuance costs. In the first six months of 2022, the Company recorded interest expense on the 2025 Notes of $3.0 million which consisted of $1.5 million associated with the 0.50% coupon rate and $1.5 million associated with the amortization of the debt issuance costs.

As of June 30, 2023, the fair value of the 2025 Notes is estimated to be approximately $296.0 million using the Level 1 observable input of the last quoted market price on June 30, 2023.

A summary of the gross carrying amount, debt issuance costs, and net carrying value of the 2025 Notes, all of which is recorded as a non-current liability in the June 30, 2023 consolidated balance sheet, are as follows *(in thousands)*:

	June 30, 2023	December 31, 2022
Gross carrying amount	$ 384,398	$ 575,000
Debt issuance costs	4,158	7,734
Net carrying amount	**$ 380,240**	**$ 567,266**

2022 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 "2022 Notes") in a private placement. In the first six months of 2022, the Company recorded interest expense on the 2022 Notes of $0.8 million which consisted of $0.4 million associated with the 0.625% coupon rate and $0.4 million associated with the amortization of the debt issuance costs. The 2022 Notes were fully settled in June 2022.

Convertible Note Hedge and Warrant Transactions

2020 Hedge and Warrants

On July 24, 2020, in connection with the issuance of the 2025 Notes, the Company entered into Convertible Note Hedge (the “2020 Hedge”) and warrant transactions with respect to the Company’s common stock.

The 2020 Hedge transactions cover 1.2 million shares of the Company’s common stock, the same number of shares initially underlying the 2025 Notes, and are exercisable upon any conversion of the 2025 Notes. The 2020 Hedge transactions are expected generally to reduce the potential dilution to the Company's common stock upon conversion of the 2025 Notes and/or offset any cash payments the Company is required to make in excess of the principal amount of the converted 2025 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 2020 Hedge transactions, is greater than the strike price of the 2020 Hedge transactions, which initially corresponds to the initial conversion price of the 2025 Notes, or approximately $461.19 per share of common stock. The 2020 Hedge transactions will expire upon the maturity of the 2025 Notes.

On July 24, 2020, the Company sold to the counterparties, warrants (the “2020 Warrants”) to acquire 1.2 million shares of the Company's common stock at an initial strike price of $709.52 per share, which represents a premium of 100% over the last reported sale price of the common stock of $354.76 on July 21, 2020. If the market price per share of the common stock, as measured under the terms of the 2020 Warrants, exceeds the strike price of the 2020 Warrants, the 2020 Warrants could have a dilutive effect, unless the Company elects, subject to certain conditions, to settle the 2020 Warrants in cash.

In connection with the March 8, 2023 repurchases of the 2025 Notes noted above, the Company entered into agreements with the counterparties for the 2020 Hedge and 2020 Warrants transactions to terminate a portion of these call spread transactions effective March 8, 2023 in notional amounts corresponding to the principal amount of the 2025 Notes repurchased.

Subsequent to such termination, the outstanding portion of the 2020 Hedge covers 0.8 million shares of the Company's common stock and 2020 Warrants to acquire 0.8 million shares of the Company's common stock remain outstanding.

Credit Facility

On September 15, 2021, the Company entered into a credit agreement (the “Credit Agreement”), consisting of a $200.0 million revolving credit facility (the “Revolving Facility”), which matures on September 15, 2026, and a $250.0 million delayed draw term loan facility (the “Term Loan Facility” and together with the Revolving Facility, the “Credit Facility”), which matures on September 15, 2028.

As of June 30, 2023, the Company had $247.5 million of borrowings outstanding under the Term Loan Facility bearing interest at the LIBO option rate of 9.0% and had no borrowings under the Revolving Facility. As of December 31, 2022, the Company had $248.8 million of borrowings outstanding under the Credit Facility and no borrowings under the Revolving Facility. As of June 30, 2023, borrowings of $2.5 million under the Term Loan Facility are recorded as current portion of long-term debt on the consolidated balance sheet.

At each of June 30, 2023 and December 31, 2022, the Company had outstanding one letter of credit issued in the amount of $0.2 million.

The Company was in compliance with all covenants at June 30, 2023.

In the first six months of 2023, the Company recorded interest expense related to its Revolving Facility of $0.7 million which consisted of $0.2 million in unused commitment fees and $0.5 million associated with the amortization of the debt issuance costs. In the first six months of 2023, the Company recorded interest expense related to the Term Loan Facility of $10.7 million associated with borrowings bearing interest at the LIBO rate.

In the first six months of 2022, the Company recorded interest expense related to its revolving credit facilities of $0.7 million which consisted of $0.2 million in unused commitment fees, and $0.5 million associated with the amortization of the debt issuance costs. In the first six months of 2022, the Company recorded interest expense related to the Term Loan Facility of $9.6 million which consisted of $1.0 million associated with borrowings bearing interest at the LIBO rate, $5.1 million in unused commitment fees, $2.0 million associated with the amortization of the debt issuance costs, and $1.5 million associated with the amortization of the original issue discount.

NOTE 14—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 Company's business. With respect to the matters disclosed in this Note 14, 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 June 30, 2023 and December 31, 2022, the Company had litigation settlement accruals of $0.6 million and $0.1 million, respectively. The litigation settlement accruals relate 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.

NOTE 15—FAIR VALUE MEASUREMENTS

Other than the convertible notes and warrants, as well as the equity interests, the carrying amounts of the Company's financial instruments are equal to fair value at June 30, 2023. *See* Note 13—Debt for additional information on the convertible notes and warrants.

NOTE 16—SEGMENT INFORMATION

The Company manages its business and reports its financial results through the following three operating and reportable segments: Home, Consumer, and Insurance. Characteristics which were relied upon in making the determination of the reportable segments include the nature of the products, the organization's internal structure, and the information that is regularly reviewed by the chief operating decision maker for the purpose of assessing performance and allocating resources.

The Home segment includes the following products: purchase mortgage, refinance mortgage, and home equity loans and lines of credit. The Company ceased offering reverse mortgage loans in the fourth quarter of 2022. The Consumer segment includes the following products: credit cards, personal loans, small business loans, student loans, auto loans, deposit accounts, and other credit products such as credit repair and debt settlement. The Insurance segment consists of insurance quote products and sales of insurance policies in the agency businesses.

The following tables are a reconciliation of segment profit, which is the Company's primary segment profitability measure, to income before income taxes. Segment marketing expense represents the portion of selling and marketing expense attributable to variable costs paid for advertising, direct marketing and related expenses, that are directly attributable to the segments' products. This measure excludes overhead, fixed costs and personnel-related expenses.

	Three Months Ended June 30, 2023				
	Home	**Consumer**	**Insurance**	**Other**	**Total**
			(in thousands)		
Revenue	$ 41,563	$ 82,477	$ 58,398	$ 15	$ 182,453
Segment marketing expense	28,216	41,807	33,647	274	103,944
Segment profit (loss)	**13,347**	**40,670**	**24,751**	**(259)**	**78,509**
Cost of revenue					9,302
Brand and other marketing expense					12,121
General and administrative expense					29,160
Product development					10,601
Depreciation					4,684
Amortization of intangibles					1,982
Restructuring and severance					3,558
Litigation settlements and contingencies					488
Operating income					**6,613**
Interest expense, net					(6,940)
Other income					439
Income before income taxes					**$ 112**

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

	Three Months Ended June 30, 2022				
	Home	Consumer	Insurance	Other	Total
	(in thousands)				
Revenue	$ 73,938	$ 106,144	$ 81,756	$ 85	$ 261,923
Segment marketing expense	47,198	61,556	59,172	232	168,158
Segment profit (loss)	**26,740**	**44,588**	**22,584**	**(147)**	**93,765**
Cost of revenue					14,574
Brand and other marketing expense					16,379
General and administrative expense					40,291
Product development					14,318
Depreciation					4,896
Amortization of intangibles					7,075
Restructuring and severance					135
Litigation settlements and contingencies					(7)
Operating loss					**(3,896)**
Interest expense, net					(6,765)
Other income					284
Loss before income taxes					**$ (10,377)**

	Six Months Ended June 30, 2023				
	Home	Consumer	Insurance	Other	Total
	(in thousands)				
Revenue	$ 85,238	$ 162,186	$ 135,480	$ 57	$ 382,961
Segment marketing expense	56,783	86,640	80,577	495	224,495
Segment profit (loss)	**28,455**	**75,546**	**54,903**	**(438)**	**158,466**
Cost of revenue					23,062
Brand and other marketing expense					28,681
General and administrative expense					65,843
Product development					25,256
Depreciation					9,479
Amortization of intangibles					4,031
Restructuring and severance					8,012
Litigation settlements and contingencies					500
Operating loss					**(6,398)**
Interest income, net					18,089
Other income					2,273
Income before income taxes					**$ 13,964**

	Six Months Ended June 30, 2022				
	Home	Consumer	Insurance	Other	Total
	(in thousands)				
Revenue	$ 175,882	$ 207,212	$ 161,794	$ 213	$ 545,101
Segment marketing expense	113,233	120,117	118,107	415	351,872
Segment profit (loss)	**62,649**	**87,095**	**43,687**	**(202)**	**193,229**
Cost of revenue					30,135
Brand and other marketing expense					36,822
General and administrative expense					76,268
Product development					28,370
Depreciation					9,750
Amortization of intangibles					14,992
Restructuring and severance					3,760
Litigation settlements and contingencies					(34)
Operating loss					**(6,834)**
Interest expense, net					(14,270)
Other income					283
Loss before income taxes					**$ (20,821)**

NOTE 17—RESTRUCTURING ACTIVITIES

On April 6, 2023, the Company made the decision to close the Ovation credit services business (the "Ovation Closure".) The Ovation Closure includes the elimination of approximately 197 employees, or 18%, of the Company's current workforce. As a result of the Ovation Closure, the Company incurred $2.1 million in restructuring expense in connection with cash expenditures for employee separation costs. The Ovation Closure, including cash payments, is expected to be completed by the first quarter of 2024.

On March 24, 2023, the Company committed to a workforce reduction plan (the “Reduction Plan”), to reduce operating costs. The Reduction Plan includes the elimination of approximately 162 employees, or 13%, of the Company’s current workforce. As a result of the Reduction Plan, the Company estimates that it will incur approximately $5.3 million in severance charges in connection with the workforce reduction, consisting of cash expenditures for employee separation costs of approximately $4.3 million and non-cash charges for the accelerated vesting of certain equity awards of approximately $1.0 million.

The Company has incurred restructuring expense of $4.3 million in the first quarter of 2023 and an additional $1.0 million of restructuring expense in the second quarter of 2023 related to the Reduction Plan. The Reduction Plan, including cash payments, is expected to be substantially completed by the end of the second quarter of 2024.

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

During 2022, the Company completed workforce reductions in each of the first, second, and fourth quarters of approximately 75 employees, 25 employees, and 50 employees, respectively. In the first six months of 2022, the Company incurred total expense of $3.8 million consisting of employee separation costs of $2.7 million and non-cash compensation expense of $1.1 million due to the accelerated vesting of certain equity awards. All employee separation costs for 2022 actions are expected to be paid by the third quarter of 2023.

	Accrued Balance at December 31, 2022	Income Statement Impact	Payments	Non-Cash	Accrued Balance at June 30, 2023
Q2 2023 action					
Employee separation payments	$ —	$ 2,064	$ (1,404)	$ —	$ 660
Q1 2023 action					
Employee separation payments	—	4,261	(2,935)	—	1,326
Non-cash compensation	—	1,066	—	(1,066)	—
2022 action					
Employee separation payments	304	25	(273)	—	56
	$ 304	**$ 7,416**	**$ (4,612)**	**$ (1,066)**	**$ 2,042**

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, as amended, and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. These forward-looking statements 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 identifies 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 on Form 10-Q and Part I, Item 1A. *Risk Factors* of the Annual Report on Form 10-K for the year ended December 31, 2022 (the "2022 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 Quarterly Report on Form 10-Q 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, Inc.'s management as of the date of this Quarterly Report on Form 10-Q. 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 LT Intermediate Company, LLC, which holds all of the outstanding ownership interests of LendingTree, LLC, and LendingTree, LLC owns several companies.

We operate what we believe to be the leading online consumer platform that connects consumers with the solutions they need to be confident in their financial decisions. Our online consumer platform provides consumers with access to product offerings from our Network Partners, including mortgage loans, home equity loans and lines of credit, auto loans, credit cards, deposit accounts, personal loans, student loans, small business loans, insurance quotes, sales of insurance policies and other related offerings. In addition, we offer tools and resources, including free credit scores, that facilitate comparison shopping for loans, deposit products, insurance, and other offerings. We seek to match consumers with multiple providers, who can offer them competing quotes for the product(s) they are seeking. We also serve as a valued partner to lenders and other providers seeking an efficient, scalable and flexible source of customer acquisition with directly measurable benefits, by matching the consumer inquiries we generate with these Network Partners.

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

We are focused on developing new product offerings and enhancements to improve the experiences that consumers and Network Partners have as they interact with us. By expanding our portfolio of financial services 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 by leveraging the widespread recognition of the LendingTree brand.

We believe the consumer and small business financial services industry is still 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 Network Partners place us in a strong position to continue to benefit from this market shift.

Economic Conditions

We continue to monitor the impact of the COVID-19 pandemic, government actions and measures taken to prevent its spread, and the potential to affect our operations. We are also monitoring the current global economic environment, specifically including inflationary pressures and interest rates, and any resulting impacts on our financial position and results of operations. Refer to Part I, Item 1A. “Risk Factors” of our 2022 Annual Report for additional information.

Of our three reportable segments, the Consumer segment was impacted the most from the COVID-19 pandemic as unsecured credit and the flow of capital in certain areas of the market contracted. Most of our selling and marketing expenses are variable costs that we adjust dynamically in relation to revenue opportunities to profitably meet demand. Thus, as our revenue was negatively impacted during the COVID-19 pandemic and the macro-economic conditions that followed, our marketing expenses generally decreased in line with revenue.

During 2023, the challenging interest rate environment and inflationary pressures have continued to present challenges for many of our mortgage lending and insurance partners. In our Home segment, mortgage rates have remained relatively consistent in the second quarter of 2023 compared to the fourth quarter of 2022, but nearly doubled compared to the first quarter of 2022. The significant increases in mortgage rates caused a sharp decline in refinance volumes and are putting pressure on purchase activity. In our Insurance segment, demand from our carrier partners remains volatile as they continue to deal with persistent industry headwinds.

Segment Reporting

We have three reportable segments: Home, Consumer, and Insurance.

Business Acquisitions

In January 2022, we acquired an equity interest in EarnUp for $15.0 million. EarnUp is a consumer-first mortgage payment platform that intelligently automates loan payment scheduling and helps consumers better manage their money and improve their financial well-being.

North Carolina Office Properties

Our corporate office is located on approximately 176,000 square feet of office space in Charlotte, North Carolina under an approximate 15-year lease that contractually commenced in the second quarter of 2021.

With our expansion in North Carolina, in December 2016, we received a grant from the state that provides up to $4.9 million in reimbursements through 2029 beginning in 2017 for investing in real estate and infrastructure in addition to increasing jobs in North Carolina at specific targeted levels through 2021, and maintaining the jobs thereafter. We have received approximately $0.7 million related to the December 2016 grants. If we are unable to maintain the specified target levels, our ability to earn further reimbursements could be limited. Additionally, the city of Charlotte and the county of Mecklenburg provided a grant that will be paid over five years and is based on a percentage of new property tax we pay on the development of a corporate headquarters. In December 2018, we received an additional grant from the state that provides an aggregate amount up to $8.4 million in reimbursements through 2032 beginning in 2021 for increasing jobs in North Carolina at specific targeted levels through 2024, and maintaining the jobs thereafter. We have currently not met the specified target levels set forth in the December 2018 grant and may not realize any reimbursements from this grant.

Recent Mortgage Interest Rate Trends

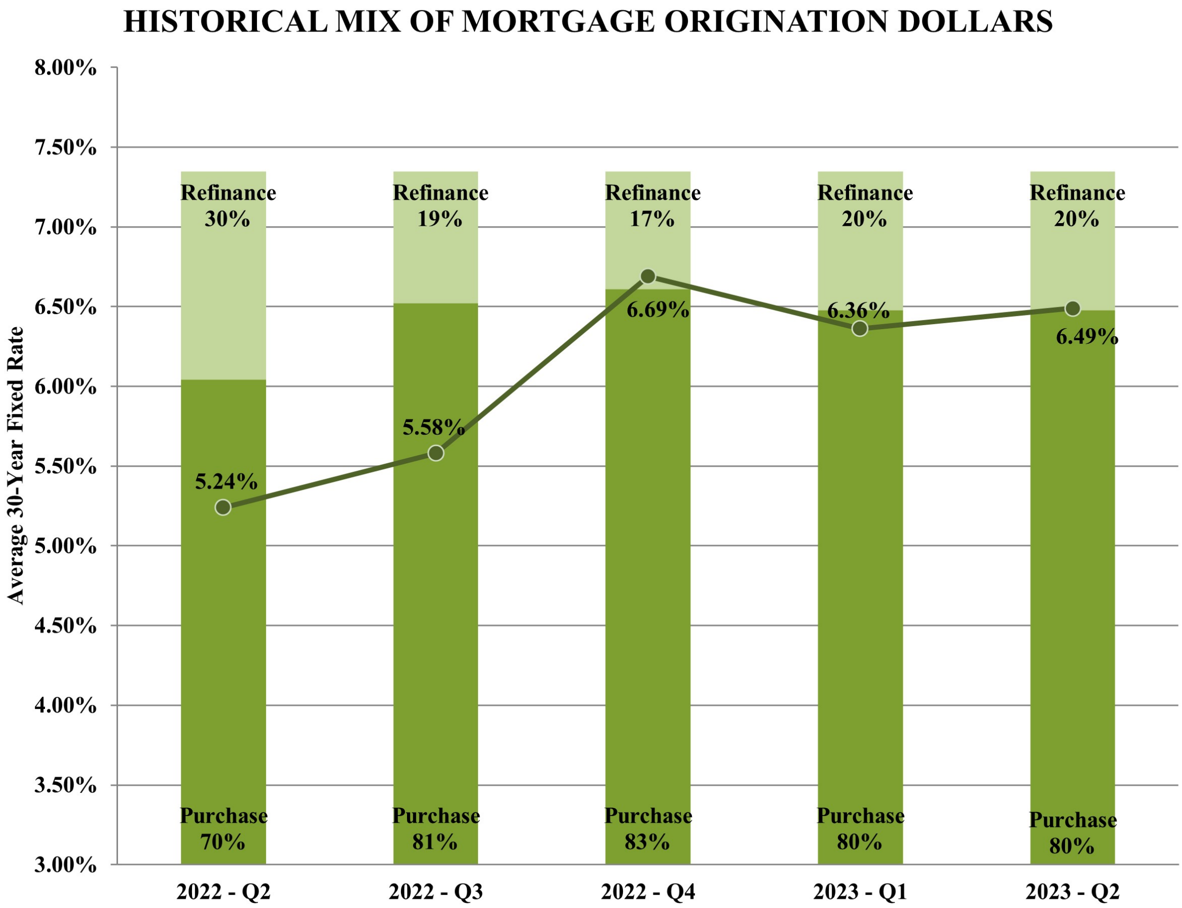
Interest rate and market risks can be substantial in the mortgage lead generation business. Short-term fluctuations in mortgage interest rates primarily affect consumer demand for mortgage refinancings, while long-term fluctuations in mortgage interest rates, coupled with the U.S. real estate market, affect consumer demand for new mortgages. Consumer demand, in turn, affects lender demand for mortgage leads from third-party sources, as well as our own ability to attract online consumers to our website.

Typically, when interest rates decline, we see increased consumer demand for mortgage refinancing, which in turn leads to increased traffic to our website and decreased selling and marketing efforts associated with that traffic. At the same time, lender demand for leads from third-party sources typically decreases, as there are more consumers in the marketplace seeking refinancings and, accordingly, lenders receive more organic mortgage lead volume. Due to lower lender demand, our revenue earned per consumer typically decreases, but with correspondingly lower selling and marketing costs.

Conversely, when interest rates increase, we typically see decreased consumer demand for mortgage refinancing, leading to decreased traffic to our website and higher associated selling and marketing efforts associated with that traffic. At the same time, lender demand for leads from third-party sources typically increases, as there are fewer consumers in the marketplace and, accordingly, the supply of organic mortgage lead volume decreases. Due to high lender demand, we typically see an increase in the amount lenders will pay per matched lead, which often leads to higher revenue earned per consumer. However, increases in the amount lenders will pay per matched lead in this situation is limited by the overall cost models of our lenders, and our revenue earned per consumer can be adversely affected by the overall reduced demand for refinancing in a rising rate environment.

We dynamically adjust selling and marketing expenditures in all interest rate environments to optimize our results against these variables.

According to Freddie Mac, 30-year mortgage interest rates increased from a monthly average of 6.36% in December 2022 to a monthly average of 6.71% in June 2023. On a quarterly basis, 30-year mortgage interest rates in the second quarter of 2023 averaged 6.49%, compared to 5.24% in the second quarter of 2022 and 6.69% in the fourth quarter of 2022.



Typically, as mortgage interest rates rise, there are fewer consumers in the marketplace seeking refinancings and, accordingly, the mix of mortgage origination dollars will move toward purchase mortgages. According to Mortgage Bankers Association ("MBA") data, total refinance origination dollars increased to 20% of total mortgage origination dollars in the second quarter of 2023 compared to 17% in the fourth quarter of 2022 but decreased from 30% in the second quarter of 2022. In the second quarter of 2023, total refinance origination dollars increased 39% from the fourth quarter of 2022 and decreased 54% from the second quarter of 2022. Industry-wide mortgage origination dollars in the second quarter of 2023 increased 16% from the fourth quarter of 2022 and decreased 32% from second quarter of 2022.

According to MBA projections, the mix of mortgage origination dollars is expected to continue to be weighted towards purchase mortgages with the refinance share representing approximately 21% for 2023.

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 Fannie Mae data, existing home sales increased 2% in the second quarter of 2023 compared to the fourth quarter of 2022, and decreased 21% compared to the second quarter of 2022. Fannie Mae predicts an overall decrease in existing-home sales of approximately 16% in 2023 compared to 2022.

MyLendingTree

We consider certain metrics related to MyLendingTree set forth below to help us evaluate our business and growth trends and assess operational efficiencies. The calculation of the metrics discussed below may differ from other similarly titled metrics used by other companies, securities analysts or investors.

We continued to grow our user base and added 1.2 million new users in the second quarter of 2023, bringing cumulative sign-ups to 26.9 million at June 30, 2023. We attribute $22 million of revenue in the second quarter of 2023 to registered MyLendingTree members across the LendingTree platform.

Our focus on improving the MyLendingTree experience for consumers remains a top priority. Becoming an integrated digital advisor will greatly improve the consumer experience, which we expect to result in higher levels of engagement, improved membership growth rates, and ultimately stronger financial results.

Cost Reductions and Simplification of Business

On March 24, 2023, we committed to a workforce reduction plan (the “Reduction Plan”), to reduce operating costs, which included the elimination of approximately 13% of the Company’s workforce. As a result of the Reduction Plan, we expect to incur approximately $5.3 million in severance charges in connection with the workforce reduction, $4.3 million of which was incurred in the first quarter of 2023 and $1.0 million was incurred in the second quarter of 2023. Part of this Reduction Plan included the shut down of our LendingTree customer call center as well as our Medicare insurance agency operations within QuoteWizard. We anticipate the Reduction Plan will reduce annual compensation expense by approximately $14 million, comprised of $2 million in cost of revenue, $4 million in selling and marketing expense, $3 million in general and administrative expense, and $5 million in product development.

Separately, we made the decision to close our Ovation credit services business, an asset group within our Consumer segment, by mid- 2023. As a result, the Company recorded an asset impairment charge of $4.2 million in the first quarter of 2023 related to the write-off of certain long-term assets. Additionally, we incurred $2.1 million in severance charges in the second quarter of 2023 in connection with cash expenditures for employee separation costs. We acquired Ovation in 2018 to better serve those customers who come to LendingTree and receive suboptimal offers of credit. The business grew for a number of years before running into challenges in the wake of COVID-19, and more recently the industry has faced increased regulatory pressure. The business is capital-intensive, requires elevated overhead, and future prospects were becoming uncertain.

The Ovation business accounted for approximately 3% of total Revenue and 3% of Total Costs and Expenses, with an immaterial impact to Net Income on the Consolidated Statement of Operations and Comprehensive Income (Loss) for the year ended December 31, 2022.

Results of Operations for the Three and Six Months ended June 30, 2023 and 2022

	Three Months Ended June 30,				Six Months Ended June 30,			
	2023	2022	$ Change	% Change	2023	2022	$ Change	% Change
	(Dollars in thousands)							
Home	$ 41,563	$ 73,938	$ (32,375)	(44) %	$ 85,238	$ 175,882	$ (90,644)	(52) %
Consumer	82,477	106,144	(23,667)	(22) %	162,186	207,212	(45,026)	(22) %
Insurance	58,398	81,756	(23,358)	(29) %	135,480	161,794	(26,314)	(16) %
Other	15	85	(70)	(82) %	57	213	(156)	(73) %
Revenue	**182,453**	**261,923**	**(79,470)**	**(30)%**	**382,961**	**545,101**	**(162,140)**	**(30)%**
Costs and expenses:								
Cost of revenue *(exclusive of depreciation and amortization shown separately below)*	9,302	14,574	(5,272)	(36) %	23,062	30,135	(7,073)	(23) %
Selling and marketing expense	116,065	184,537	(68,472)	(37) %	253,176	388,694	(135,518)	(35) %
General and administrative expense	29,160	40,291	(11,131)	(28) %	65,843	76,268	(10,425)	(14) %
Product development	10,601	14,318	(3,717)	(26) %	25,256	28,370	(3,114)	(11) %
Depreciation	4,684	4,896	(212)	(4) %	9,479	9,750	(271)	(3) %
Amortization of intangibles	1,982	7,075	(5,093)	(72) %	4,031	14,992	(10,961)	(73) %
Restructuring and severance	3,558	135	3,423	2,536 %	8,012	3,760	4,252	113 %
Litigation settlements and contingencies	488	(7)	495	7,071 %	500	(34)	534	1,571 %
Total costs and expenses	**175,840**	**265,819**	**(89,979)**	**(34)%**	**389,359**	**551,935**	**(162,576)**	**(29)%**
Operating income (loss)	**6,613**	**(3,896)**	**10,509**	**270 %**	**(6,398)**	**(6,834)**	**436**	**6 %**
Other income (expense), net:								
Interest (expense) income, net	(6,940)	(6,765)	(175)	(3) %	18,089	(14,270)	32,359	227 %
Other income	439	284	155	55 %	2,273	283	1,990	703 %
Income (loss) before income taxes	**112**	**(10,377)**	**10,489**	**101 %**	**13,964**	**(20,821)**	**34,785**	**167 %**
Income tax (expense) benefit	(227)	2,339	(2,566)	(110) %	(622)	1,957	(2,579)	(132) %
Net (loss) income and comprehensive (loss) income	**$ (115)**	**$ (8,038)**	**$ 7,923**	**99 %**	**$ 13,342**	**$ (18,864)**	**$ 32,206**	**171 %**

Revenue

Revenue decreased in the second quarter and first six months of 2023 compared to the second quarter and first six months of 2022 due to decreases in our Home, Consumer, and Insurance segments.

Our Consumer segment includes the following products: credit cards, personal loans, small business loans, student loans, auto loans, deposit accounts, and other credit products such as credit repair and debt settlement. Many of our Consumer segment products are not individually significant to revenue. Revenue from our Consumer segment decreased $23.7 million, or 22%, in the second quarter of 2023 from the second quarter of 2022, and decreased $45.0 million, or 22%, in the first six months of 2023 from the first six months of 2022 primarily due to decreases in our personal loans, credit cards, and small business.

Revenue from our personal loans product decreased $14.2 million, or 33%, to $28.1 million in the second quarter of 2023 from $42.3 million in the second quarter of 2022, and decreased $25.8 million, or 33%, to $51.7 million in the first six months of 2023 from $77.5 million in the first six months of 2022 primarily due to a decrease in the number of consumers completing request forms.

Revenue from our credit cards product decreased $6.2 million, or 23%, to $21.1 million in the second quarter of 2023 from $27.3 million in the second quarter of 2022 primarily due to a decrease in the number of consumer clicks. Revenue from our credit cards product decreased $17.8 million, or 31%, to $39.4 million in the first six months of 2023 compared to $57.1 million in the first six months of 2022, primarily due to a decrease in the number of consumer clicks and in revenue earned per click.

For the periods presented, no other products in our Consumer segment represented more than 10% of revenue; however, certain other Consumer products experienced notable changes. Revenue from our small business loans product decreased $4.0

million, or 23%, in the second quarter of 2023 compared to the second quarter of 2022, primarily due to a decrease in revenue earned per consumer and a decrease in the number of consumers completing request forms. Revenue from our small business loans produced decreased $6.0 million, or 17%, in the first six months of 2023 compared to the first six months of 2022, primarily due to a decrease in the number of consumers completing request forms.

Our Home segment includes the following products: purchase mortgage, refinance mortgage, and home equity loans and lines of credit. We ceased offering reverse mortgage loans in the fourth quarter of 2022. Revenue from our Home segment decreased $32.4 million, or 44%, in the second quarter of 2023 from the second quarter of 2022, and decreased $90.6 million, or 52%, in the first six months of 2023 from the first six months of 2022 primarily due to decreases in revenue from our refinance and purchase mortgage products.

Revenue from our mortgage products decreased $28.1 million, or 63%, to $16.2 million in the second quarter of 2023 from $44.4 million in the second quarter of 2022, and decreased $86.1 million, or 70%, to $36.2 million in the first six months of 2023 from $122.3 million in the first six months of 2022. Revenue from our refinance mortgage product decreased $19.9 million in the second quarter of 2023 compared to the second quarter of 2022 and decreased $68.1 million in the first six months of 2023 compared to the first six months of 2022 due to a decrease in the number of consumers completing request forms and a decrease in revenue earned per consumer, as interest rates have risen. Revenue from our purchase mortgage product decreased $8.2 million in the second quarter of 2023 compared to the second quarter of 2022, and decreased $18.1 million in the first six months of 2023 compared to the first six months of 2022 primarily due to a decrease in the number of consumers completing request forms and a decrease in revenue earned per consumer. Revenue from our home equity loans product decreased $3.0 million, or 11%, to $25.3 million in the second quarter of 2023 from $28.4 million in the second quarter of 2022, and decreased $2.5 million, or 5%, to $49.0 million in the first six months of 2023 from $51.5 million in the first six months of 2022.

Revenue from our Insurance segment decreased $23.4 million, or 29%, to $58.4 million in the second quarter of 2023 from $81.8 million in the second quarter of 2022, and decreased $26.3 million, or 16%, to $135.5 million in the first six months of 2023 from $161.8 million first six months of 2022 primarily due to a decrease in revenue earned per consumer.

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 decreased in the second quarter of 2023 from the second quarter of 2022, primarily due to a decrease in compensation and benefits of $4.0 million. Cost of revenue decreased in the first six months of 2023 from the first six months of 2022 primarily due to a decrease in compensation and benefits of $4.2 million and a decrease in website network hosting and server hosting fees of $1.8 million. The decreases in the second quarter and first six months are primarily due to the Reduction Plan at the end of the first quarter of 2023, including shutting down the LendingTree customer call center.

Cost of revenue as a percentage of revenue decreased to 5% in the second quarter of 2023 compared to 6% in the second quarter of 2022, and remained consisted at 6% in the first six months of 2023 and 2022.

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.

Selling and marketing expense decreased in the second quarter of 2023 compared to the second quarter 2022 by $68.5 million, and decreased $135.5 million in the first six months of 2023 compared to the first six months of 2022 primarily due to the changes in advertising and promotional expense discussed below. Additionally, compensation and benefits decreased $3.3 million in the second quarter of 2023 compared to the second quarter of 2022 and decreased $5.6 million in the first six months of 2023 compared to the first six months of 2022.

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

	Three Months Ended June 30,				Six Months Ended June 30,			
	2023	2022	$ Change	% Change	2023	2022	$ Change	% Change
	(Dollars in thousands)							
Online	$ 104,354	$ 167,711	$ (63,357)	(38) %	$ 225,074	$ 350,184	$ (125,110)	(36) %
Broadcast	(86)	770	(856)	(111) %	220	1,610	(1,390)	(86) %
Other	1,690	2,671	(981)	(37) %	5,063	8,434	(3,371)	(40) %
Total advertising expense	**$ 105,958**	**$ 171,152**	**$ (65,194)**	**(38)%**	**$ 230,357**	**$ 360,228**	**$ (129,871)**	**(36)%**

In the periods presented, advertising and promotional expenses are equivalent to the non-GAAP measure variable marketing expense. *See* Variable Marketing Expense and Variable Marketing Margin below for additional information.

Revenue is primarily driven by Network Partner demand for our products, which is matched to corresponding consumer 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 such 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 our Home, Consumer, and Insurance segments.

We adjusted our advertising expenditures in the second quarter and first six months of 2023 compared to the second quarter and first six months of 2022 in response to changes in Network Partner demand on our marketplace. We will continue to adjust selling and marketing expenditures dynamically in response 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 decreased in the second quarter of 2023 from the second quarter of 2022 primarily due to a decrease in compensation and benefits of $5.9 million, a decrease in loss on assets of $2.9 million, and a decrease in facilities expense of $0.9 million. General and administrative expense decreased in the first six months of 2023 from the first six months of 2022 primarily due to a decrease in compensation and benefits of $7.6 million, a decrease in facilities expenses of $1.6 million, a decrease in franchise tax expense of $1.5 million, partially offset by an increase in loss on assets of $1.7 million. We incurred a $4.2 million loss on the impairment of assets for our Ovation business in the first quarter of 2023.

General and administrative expense as a percentage of revenue increased to 16% in the second quarter of 2023 compared to 15% in the second quarter of 2022, and increased to 17% in the first six months of 2023 compared to 14% in the first six months of 2022.

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 decreased in the second quarter and first six months of 2023 compared to the second quarter and first six months of 2022 primarily due to the Reduction Plan at the end of the first quarter of 2023. 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 Network Partners.

Amortization of intangibles

The decrease in amortization of intangibles in the second quarter and first six months of 2023 compared to the second quarter and first six months of 2022 was primarily due to certain intangible assets associated with our recent business acquisitions becoming fully amortized.

Restructuring and severance

On March 24, 2023, we committed to the Reduction Plan to reduce operating costs, which included the elimination of approximately 13% of the Company's workforce. As a result of the Reduction Plan, we estimate that we will incur approximately $5.3 million in severance charges in connection with the workforce reduction, consisting of cash expenditures for employee separation costs of approximately $4.3 million and non-cash charges for the accelerated vesting of certain equity awards of approximately $1.0 million.

We incurred restructuring expense of $4.3 million in the first quarter of 2023 and an additional $1.0 million of restructuring expense in the second quarter of 2023 related to the Reduction Plan. We anticipate that the execution of the Reduction Plan, including cash payments, will be completed by the end of the second quarter of 2024.

We made the decision to close the Ovation credit services business by mid-2023. We incurred $2.1 million of restructuring expense related to the Ovation closure in the second quarter of 2023 in connection with cash expenditures for employee separation costs. We anticipate the cash payments for separation costs will be completed by the second quarter of 2024.

In the first quarter of 2022, we completed a workforce reduction of approximately 75 employees and in the second quarter of 2022 completed a workforce reduction of approximately 25 employees. We incurred total expense of $3.8 million in the first six months of 2022 related to these actions, consisting of employee separation costs of $2.7 million and non-cash compensation expense of $1.1 million due to the accelerated vesting of certain equity awards.

Interest income/expense

In the first quarter of 2023, we repurchased approximately $190.6 million in principal amount of our 0.50% Convertible Senior Notes due July 15, 2025 (the "2025 Notes") for $156.3 million plus accrued and unpaid interest of approximately $0.1 million. As a result of the repurchase, we recognized a gain on the extinguishment of $34.3 million, a loss on the write-off of unamortized debt issuance costs of $2.4 million, and incurred debt repayment costs of $1.0 million, all of which are included in interest income/expense, net in the consolidated statements of operations and comprehensive income. *See* Note 13—Debt for additional information.

Other income

For the second quarter and first six months of 2023 and 2022, other income primarily consisted of dividend income.

Income tax expense

For the second quarter and first six months of 2023, the effective tax rate varied from the federal statutory rate of 21% primarily due to the change in the valuation allowance, net of the current period change in tax effected net indefinite-lived intangibles.

For the second quarter and first six months of 2022, the effective tax rate varied from the federal statutory rate of 21% primarily due to excess tax expense of $0.4 million and $2.9 million, respectively, resulting from vesting of restricted stock in accordance with Accounting Standards Update 2016-09 and the effect of state taxes.

Segment Profit

	Three Months Ended June 30,				Six Months Ended June 30,			
	2023	2022	$ Change	% Change	2023	2022	$ Change	% Change
	(Dollars in thousands)							
Home	$ 13,347	$ 26,740	$ (13,393)	(50) %	$ 28,455	$ 62,649	$ (34,194)	(55) %
Consumer	40,670	44,588	(3,918)	(9) %	75,546	87,095	(11,549)	(13) %
Insurance	24,751	22,584	2,167	10 %	54,903	43,687	11,216	26 %
Other	(259)	(147)	(112)	(76) %	(438)	(202)	(236)	(117) %
Segment profit	**$ 78,509**	**$ 93,765**	**$ (15,256)**	**(16)%**	**$ 158,466**	**$ 193,229**	**$ (34,763)**	**(18)%**

Segment profit is our primary segment operating metric. Segment profit is calculated as segment revenue less segment selling and marketing expenses attributed to variable costs paid for advertising, direct marketing and related expenses that are directly attributable to the segments' products. *See* Note 16—Segment Information in the notes to the consolidated financial statements for additional information on segments and a reconciliation of segment profit to pre-tax income.

Home

Home segment revenue of $41.6 million in the second quarter of 2023 decreased 44% from the second quarter of 2022 and segment profit of $13.3 million in the second quarter of 2023 decreased 50% from the second quarter of 2022. The Home segment margin of 32% in the second quarter of 2023 decreased from 36% in the second quarter of 2022, as lower close rates realized by our Network Partners has negatively impacted revenue per consumer. Our home equity business again produced the majority of the Home segment's revenue, declining 11% in the second quarter of 2023 from the second quarter of 2022. Consumer demand to borrow against a near record level of equity in their homes remains strong, and we expect this channel will continue to generate the majority of segment revenue going forward.

Consumer

Our Consumer segment revenue of $82.5 million in the second quarter of 2023 was down 22% from the second quarter of 2022, while segment profit of $40.7 million was down a more modest 9% as segment margin improved to 49% in the second quarter of 2023 compared to 42% in the second quarter of 2022.

Personal loans revenue of $28.1 million in the second quarter of 2023 decreased 33% from the second quarter of 2022 as close rates again declined from the prior quarter, most notably in prime and mid-prime segments. Although partner appetite to extend credit appears to have stabilized since multiple regional banks failed in March 2023, capital market headwinds and the outlook for additional increases in short-term rates by the Federal Reserve mean a return to year over year revenue growth is unlikely to occur this year.

Small business revenue decreased 23% in the second quarter of 2022 from the second quarter of 2023. Ongoing tightening of credit by our lender partners again negatively impacted conversion rates, most notably for lower credit quality borrowers. Close rates have now declined steadily for four consecutive quarters. The average loan size has also declined across borrower credit spectrum, which directly impacts revenue we earn on funded loans. We have focused on optimizing our marketing mix to target higher credit quality borrowers as well as bringing on new lender partners to improve close rates.

Credit card revenue of $21.1 million in the second quarter of 2023 decreased 23% from the second quarter of 2022. During the second quarter of 2023 we continued to migrate traffic to our LendingTree website from our CompareCards domain. The results have been positive, with notably improved consumer engagement and higher approval rates observed. The implementation of LightSpeed, our new credit card tech platform, has performed as expected, greatly improving page load speeds and redirect rates. These improvements in consumer experience represent the beginning of our approach to recapture market share in this large and important vertical.

Insurance

Revenue of $58.4 million in the second quarter of 2023 decreased 29% from the second quarter of 2022, however, segment profit of $24.8 million in the second quarter of 2023 increased 10% from the second quarter of 2022. As expected, carriers reduced advertising budgets in the quarter due to worse than expected loss rates on personal auto policies. Continued operating efficiency gains generated a 42% segment margin compared to a 28% segment margin in the second quarter of 2022.

Variable Marketing Expense and Variable Marketing Margin

We report variable marketing expense and variable marketing margin as supplemental measures to accounting principles generally accepted in the United States of America ("GAAP".) These related measures are the primary metrics by which we measure the effectiveness of our marketing efforts. Variable marketing expense represents the portion of selling and marketing expense attributable to variable costs paid for advertising, direct marketing, and related expenses, and excludes overhead, fixed costs, and personnel-related expenses. Variable marketing margin is a measure of the efficiency of our operating model, measuring revenue after subtracting variable marketing expense. Our operating model is highly sensitive to the amount and efficiency of variable marketing expenditures, and our proprietary systems are able to make rapidly changing decisions concerning the deployment of variable marketing expenditures (primarily but not exclusively online and mobile advertising placement) based on proprietary and sophisticated analytics. 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.

Variable marketing expense is defined as the expense attributable to variable costs paid for advertising, direct marketing and related expenses, and excluding overhead, fixed costs and personnel-related expenses. The majority of these variable advertising costs are expressly intended to drive traffic to our websites and these variable advertising costs are included in selling and marketing expense on our consolidated statements of operations and comprehensive income (loss). Variable marketing margin is defined as revenue less variable marketing expense.

The following shows the calculation of variable marketing margin:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands)			
Revenue	$ 182,453	$ 261,923	$ 382,961	$ 545,101
Variable marketing expense	105,958	171,152	230,357	360,228
Variable marketing margin	**$ 76,495**	**$ 90,771**	**$ 152,604**	**$ 184,873**

Below is a reconciliation of selling and marketing expense, the most directly comparable GAAP measure, to variable marketing expense:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands)			
Selling and marketing expense	$ 116,065	$ 184,537	$ 253,176	$ 388,694
Non-variable selling and marketing expense	(10,107)	(13,385)	(22,819)	(28,466)
Variable marketing expense	**$ 105,958**	**$ 171,152**	**$ 230,357**	**$ 360,228**

The following is a reconciliation of net (loss) income, the most directly comparable GAAP measure, to variable marketing margin:

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
	(in thousands)			
Net (loss) income	**$ (115)**	**$ (8,038)**	**$ 13,342**	**$ (18,864)**
Adjustments to reconcile to variable marketing margin:				
Cost of revenue	9,302	14,574	23,062	30,135
Non-variable selling and marketing expense [(1)]	10,107	13,385	22,819	28,466
General and administrative expense	29,160	40,291	65,843	76,268
Product development	10,601	14,318	25,256	28,370
Depreciation	4,684	4,896	9,479	9,750
Amortization of intangibles	1,982	7,075	4,031	14,992
Restructuring and severance	3,558	135	8,012	3,760
Litigation settlements and contingencies	488	(7)	500	(34)
Interest expense (income), net	6,940	6,765	(18,089)	14,270
Other (income) expense	(439)	(284)	(2,273)	(283)
Income tax expense (benefit)	227	(2,339)	622	(1,957)
Variable marketing margin	**$ 76,495**	**$ 90,771**	**$ 152,604**	**$ 184,873**

(1) Represents the portion of selling and marketing expense not attributable to variable costs paid for advertising, direct marketing and related expenses. Includes overhead, fixed costs and personnel-related expenses.

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, in most years, 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 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) gain/loss on investments (5) restructuring and severance expenses, (6) litigation settlements and contingencies, (7) acquisitions and dispositions income or expense (including with respect to changes in fair value of contingent consideration), (8) contributions to the LendingTree Foundation, (9) dividend income, and (10) 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 below, one-time items consisted of the franchise tax caused by the equity investment gain in Stash Financial, Inc..

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, some of which awards have performance-based vesting conditions. Non-cash compensation expense also includes expense associated with employee stock purchase plans. 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 (loss) income, the most directly comparable GAAP measure, to Adjusted EBITDA.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands)			
Net (loss) income	**$ (115)**	**$ (8,038)**	**$ 13,342**	**$ (18,864)**
Adjustments to reconcile to Adjusted EBITDA:				
Amortization of intangibles	1,982	7,075	4,031	14,992
Depreciation	4,684	4,896	9,479	9,750
Restructuring and severance	3,558	135	8,012	3,760
Loss on impairments and disposal of assets	140	2,996	5,167	3,427
Loss on investments	1,440	—	1,440	—
Non-cash compensation expense	9,204	17,335	20,407	31,332
Franchise tax caused by equity investment gain	—	—	—	1,500
Acquisition expense	4	58	(5)	67
Litigation settlements and contingencies	488	(7)	500	(34)
Interest (income) expense, net	6,940	6,765	(18,089)	14,270
Dividend income	(1,879)	(282)	(3,713)	(282)
Income tax expense (benefit)	227	(2,339)	622	(1,957)
Adjusted EBITDA	**$ 26,673**	**$ 28,594**	**$ 41,193**	**$ 57,961**

Financial Position, Liquidity and Capital Resources

General

As of June 30, 2023, we had $162.6 million of cash and cash equivalents, compared to $298.8 million of cash and cash equivalents as of December 31, 2022.

On March 8, 2023, we repurchased approximately $190.6 million in principal amount of our 2025 Notes, through separate transactions with certain holders of the 2025 Notes, for $156.3 million plus accrued and unpaid interest of approximately $0.1 million. In the first quarter of 2023, we recognized a gain on the extinguishment of $34.3 million, a loss on the write-off of unamortized debt issuance costs of $2.4 million and incurred debt repayment costs of $1.0 million, all of which are included in interest income/expense, net in the consolidated statement of operations and comprehensive income. *See* Note 13—Debt for additional information.

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 credit facility described below is an additional potential source of liquidity. We will continue to monitor the impact of the current economic conditions, including interest rates, inflation, and ongoing COVID-19 pandemic on our liquidity and capital resources.

Credit Facility

On September 15, 2021, we entered into a credit agreement (the “Credit Agreement”), consisting of a $200.0 million revolving credit facility (the “Revolving Facility”), which matures on September 15, 2026, and a $250.0 million delayed draw term loan facility (the “Term Loan Facility” and together with the Revolving Facility, the “Credit Facility”), which matures on September 15, 2028. The proceeds of the Revolving Facility can be used to finance working capital, for general corporate purposes and any other purpose not prohibited by the Credit Agreement. We borrowed $250.0 million under the delayed draw term loan on May 31, 2022 and used $170.2 million of the proceeds to settle the Company’s 2022 Notes, including interest. The remaining proceeds of $79.8 million may be used for general corporate purposes and any other purposes not prohibited by the Credit Agreement. *See* Note 13—Debt for additional information.

As of July 27, 2023, we have outstanding $247.5 million under the Term Loan Facility, a $0.2 million letter of credit under the Revolving Facility and the remaining borrowing capacity under the Revolving Facility is $199.8 million. We have $101.1 million available for borrowing under the Revolving Facility as of July 27, 2023.

Cash Flows

Our cash flows are as follows:

	Six Months Ended June 30,	
	2023	**2022**
	(in thousands)	
Net cash provided by operating activities	$ 28,224	$ 16,093
Net cash used in investing activities	(4,853)	(22,786)
Net cash (used in) provided by financing activities	(159,665)	34,584

Cash Flows from Operating Activities

Our largest source of cash provided by our operating activities is revenues generated by our 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 increased in the first six months of 2023 from the first six months of 2022 primarily due to favorable changes in accounts receivable and prepaid and other current assets.

Cash Flows from Investing Activities

Net cash used in investing activities in the first six months of 2023 of $4.9 million consisted of capital expenditures primarily related to internally developed software.

Net cash used in investing activities in the first six months of 2022 of $22.8 million consisted of the purchase of a $16.4 million equity interest in EarnUp and another small investment, as well as capital expenditures of $6.3 million primarily related to internally-developed software.

Cash Flows from Financing Activities

Net cash used in financing activities in the first six months of 2023 of $159.7 million consisted primarily of the repurchase of our Convertible Senior Notes for $156.3 million.

Net cash provided by financing activities in the first six months of 2022 of $34.6 million consisted primarily of $250.0 million in proceeds from the term loan and the repayment of $169.7 million to settle our 2022 Notes discussed in the “Credit Facility” section above, $43.0 million for the repurchase of our stock, and $2.7 million in withholding taxes paid upon surrender of shares to satisfy obligations on equity awards, net of proceeds from the exercise of stock options.

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 Credit Facility, 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 a $2.5 million annual effect on the interest paid on borrowings under the Credit Facility. As of July 27, 2023, the Company had $247.5 million outstanding on its Term Loan Facility, and there were no outstanding borrowings under its Revolving 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, when interest rates decline, we see increased consumer demand for mortgage refinancing, which in turn leads to increased traffic to our website and decreased selling and marketing efforts associated with that traffic. At the same time, lender demand for leads from third-party sources typically decreases, as there are more consumers in the marketplace seeking refinancings and, accordingly, lenders receive more organic lead volume. Due to lower lender demand, our revenue earned per consumer typically decreases but with correspondingly lower selling and marketing costs. Conversely, when interest rates increase, we typically see decreased consumer demand for mortgage refinancing, leading to decreased traffic to our website and higher associated selling and marketing efforts associated with that traffic. At the same time, lender demand for leads from third-party sources typically increases, as there are fewer consumers in the marketplace and, accordingly, the supply of organic mortgage lead volume decreases. Due to high lender demand, we typically see an increase in the amount lenders will pay per matched lead, which often leads to higher revenue earned per consumer. However, increases in the amount lenders will pay per matched lead in this situation is limited by the overall cost models of our lenders, and our revenue earned per consumer can be adversely affected by the overall reduced demand for refinancing in a rising rate environment.

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. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files under the Exchange Act is accumulated and communicated to a company’s management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective, as of June 30, 2023, 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 June 30, 2023 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, data privacy and security, 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 2022 Annual Report and updated that information in Note 14—Contingencies to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Item 1A. *Risk Factors*

Risk factors that affect our business and financial results are discussed in Part I, Item 1A "*Risk Factors*," in our 2022 Annual Report. There have been no material changes to the risk factors included in our 2022 Annual Report.

You should carefully consider the risks described in our 2022 Annual Report, which could materially affect our business, financial condition or future results. The risks described in our 2022 Annual Report are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, and/or operating results. If any of the risks actually occur, our business, financial condition, and/or results of operations could be negatively affected.

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

Issuer Purchases of Equity Securities

In each of February 2018 and February 2019, the board of directors authorized and we announced a stock repurchase program which allowed for the repurchase of up to $100.0 million and $150.0 million, respectively, of our common stock. 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 June 30, 2023, no shares of common stock were repurchased under the stock repurchase program. As of July 24, 2023, approximately $96.7 million remains authorized for share repurchase.

Additionally, the LendingTree Seventh Amended and Restated 2008 Stock Plan allowed 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 June 30, 2023, 5,644 shares were purchased related to these obligations under the LendingTree Seventh Amended and Restated 2008 Stock 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 June 30, 2023.

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
				(in thousands)
4/1/2023 - 4/30/2023	573	$ 25.08	—	$ 96,655
5/1/2023 - 5/31/2023	861	$ 18.46	—	$ 96,655
6/1/2023 - 6/30/2023	4,210	$ 21.62	—	$ 96,655
Total	**5,644**	**$ 21.49**	**—**	**$ 96,655**

(1) During April 2023, May 2023 and June 2023, 573 shares, 861 shares and 4,210 shares, respectively (totaling 5,644 shares), were purchased to satisfy federal and state withholding obligations of our employees upon the settlement of restricted stock units, all in accordance with our Seventh Amended and Restated 2008 Stock 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***

During the fiscal quarter ended June 30, 2023, none of the Company's directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

On July 26, 2023, the Company’s directors adopted the LendingTree, Inc. 2023 Inducement Grant Plan (the “Inducement Plan”) and, subject to the adjustment provisions of the Inducement Plan, reserved 100,000 shares of the Company’s common stock for issuance pursuant to equity awards to be granted under the Inducement Plan.

The Inducement Plan was adopted without stockholder approval pursuant to Rule 5635(c)(4) of the Nasdaq Listing Rules. The Inducement Plan provides for the grant of stock options, stock appreciation rights, restricted stock units, and other types of equity-based incentive compensation. The terms and conditions of the Inducement Plan are substantially similar to the Company’s 2023 Stock Plan (as was described in our proxy statement for the 2023 annual stockholder meeting), but with such other terms and conditions intended to comply with the Nasdaq inducement award rules and which are generally not applicable to inducement plans (e.g., no statutory incentive stock options could be granted under the Inducement Plan and only non-qualified options may be granted). On July 26, 2023, the Board also adopted forms of award agreements for use with the Inducement Plan.

In accordance with Rule 5635(c)(4) of the Nasdaq Listing Rules, the only persons eligible to receive grants of equity awards under the Inducement Plan are individuals who were not previously an employee or director of the Company, or following a bona fide period of non-employment, as an inducement material to such persons entering into employment with the Company.

The above description of the Inducement Plan and the award agreements thereunder is not complete and is qualified in its entirety by reference to the text of the Inducement Plan and its forms of award agreements, complete copies of which are filed herewith as Exhibits 10.1, 10.2, and 10.3, respectively, and are incorporated herein by reference.

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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	Fourth Amended and Restated By-laws of LendingTree, Inc.	Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed November 15, 2017
10.1	LendingTree, Inc. 2023 Inducement Grant Plan*	†
10.2	Notice of Stock Option Award Granted Under the LendingTree, Inc. 2023 Inducement Grant Plan*	†
10.3	Notice of Restricted Stock Unit Award Granted Under the LendingTree, Inc. 2023 Inducement Grant Plan*	†
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 — The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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	†††
104	Cover Page Interactive Data File (embedded within the Inline XBRL document contained in Exhibit 101)	†††

† Filed herewith.

†† Furnished 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, as amended, 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.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: July 27, 2023

LENDINGTREE, INC.

By: **/s/ TRENT ZIEGLER**
Trent Ziegler
Chief Financial Officer
(principal financial officer and duly authorized officer)

LendingTree, Inc. 2023 Inducement Grant Plan

Section 1. Purpose; Definition

This LendingTree, Inc. 2023 Inducement Grant Plan was approved by the Board on July 26, 2023 (the "*Effective Date*"). The purpose of this Plan is to give the Company a competitive advantage in attracting, retaining and motivating new employees and to provide the Company and its Subsidiaries and Affiliates with a stock and incentive plan providing incentives directly linked to stockholder value. This Plan enables compliance with the inducement equity grant exception to stockholder approval of equity issuances under Nasdaq Stock Market Listing Rule 5635(c)(4) by providing equity compensation issuances to any prospective employee who was not previously an employee or director of the Company, or following a bona fide period of non-employment, as an inducement material to the individual entering into employment with the Company.

Certain terms used herein have definitions given to them in the first place in which they are used. In addition, for purposes of this Plan, the following terms are defined as set forth below provided however that if a Participant's Individual Agreement or Award Agreement expressly includes defined terms that expressly are different from and/or conflict with the defined terms contained in this Plan then the defined terms contained in the Individual Agreement or Award Agreement shall govern and shall supersede the definitions provided in this Plan:

(a) "*Affiliate*" means a corporation or other entity controlled by, controlling or under common control with, the Company.

(b) "*Applicable Exchange*" means Nasdaq or such other securities exchange as may at the applicable time be the principal market for the Common Stock.

(c) "*Award*" means an Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, or other stock based award granted or assumed pursuant to the terms of this Plan.

(d) "*Award Agreement*" means a written or electronic document or agreement setting forth the terms and conditions of a specific Award.

(e) "*Beneficial Ownership*" shall have the meaning given in Rule 13d-3 promulgated under the Exchange Act.

(f) "*Board*" means the Board of Directors of the Company.

(g) "*Cause*" means: (i) "Cause" as defined in any Individual Agreement to which the applicable Participant is a party, or (ii) if there is no such Individual Agreement or if it does not define Cause: (A) the willful misconduct or gross negligence by a Participant of his employment duties that is materially injurious to the Company or any of its Affiliates (financially, reputationally, or otherwise); (B) the commission by the Participant of, the plea of guilty or *nolo contendere* to, or conviction for, any serious crime involving fraud, dishonesty or moral turpitude; (C) a material breach by a Participant of a fiduciary duty owed to the Company or any of its Affiliates; (D) a material breach by a Participant of any nondisclosure, non-solicitation or non-competition obligation owed to the Company or any of its Affiliates; (E) Participant's material breach of Participant's obligations under any written agreement with the Company or any of its Affiliates or material Company or Affiliate policy, including but not limited to a code of conduct; or (F) before a Change in Control, such other events as shall be determined by the Committee and set forth in a Participant's Award Agreement. Notwithstanding the general rule of Section 2(c), following a Change in Control, any determination by the Committee as to whether "Cause" exists shall be subject to *de novo* review. The Board or Committee may in its discretion determine that a Participant's employment with, or performance of services for, the Company and any of its Subsidiaries or Affiliates may be deemed to have been terminated for Cause if, after the Participant's employment and/or service has terminated, facts and circumstances are discovered that would have justified a termination for Cause, including, without limitation, violation of material Company policies or breach of confidentiality or other restrictive covenants that may apply to the Participant.

(h) "*Change in Control*" has the meaning set forth in Section 9(b).

(i) "*Code*" means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto, the Treasury Regulations thereunder and other relevant interpretive guidance issued by the Internal Revenue Service or the Treasury Department. Reference to any specific section of the Code shall be deemed to include such regulations and guidance, as well as any successor provision of the Code.

(j) "*Commission*" means the Securities and Exchange Commission or any successor agency.

(k) "*Committee*" has the meaning set forth in Section 2(a).

(l) "*Common Stock*" means common stock, par value $0.01 per share, of the Company.

(m) "*Company*" means LendingTree, Inc., a Delaware corporation, or its successor.

(n) "*Covered Executive*" means any current or former Executive Officer that has received Incentive Compensation during the Look-Back Period (as defined in Section 13(n)).

(o) "*Disability*" means (i) "Disability" as defined in any Individual Agreement to which the Participant is a party, or (ii) if there is no such Individual Agreement or it does not define "Disability," (A) permanent and total disability as determined under the Company's long-term disability plan applicable to the Participant, or (B) if there is no such plan applicable to the Participant or the Committee determines otherwise in an applicable Award Agreement, "Disability" as determined by the Committee. Notwithstanding the above, with respect to each Award that constitutes a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code, the foregoing definition shall apply for purposes of vesting of such Award, provided that such Award shall not be settled until the earliest of: (i) the Participant's "disability" within the meaning of Section 409A of the Code, or (ii) the Participant's "separation from service" within the meaning of Section 409A of the Code and (iii) the date such Award would otherwise be settled pursuant to the terms of the Award Agreement.

(p) "*Disaffiliation*" means a Subsidiary's or Affiliate's ceasing to be a Subsidiary or Affiliate for any reason (including, without limitation, as a result of a public offering, or a spinoff or sale by the Company, of the stock of the Subsidiary or Affiliate) or a sale of a division of the Company and its Affiliates.

(q) "*EBITDA*" means for any period, operating profit (loss) plus (i) depreciation and amortization, including goodwill impairment, (ii) amortization of non-cash distribution and marketing expense and non-cash compensation expense, (iii) restructuring charges, (iv) non-cash write-downs of assets or goodwill, (v) charges relating to disposal of lines of business, (vi) litigation settlement amounts and (vii) costs incurred for proposed and completed acquisitions.

(r) "*Eligible Individuals*" means a natural person who is eligible to receive an employment inducement grant in accordance with Nasdaq Stock Market Listing Rule 5635(c)(4).

(s) "*Exchange Act*" means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.

(t) "*Executive Officer*" means any "executive officer" as defined in Section 10D-1(d) of the Exchange Act whom the Board (or the Committee, as applicable) has determined is subject to the reporting requirements of Section 10D of the Exchange Act, and includes any person who is the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the issuer in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company (with any executive officers of the Company's parent(s) or subsidiaries being deemed Executive Officers of the Company if they perform such policy making functions for the Company). All Executive Officers of the Company identified by the Board (or the Committee, as applicable) pursuant to 17 CFR 229.401(b) shall be deemed an "Executive Officer.".

(u) "*Fair Market Value*" means, unless otherwise determined by the Committee, the closing price of a share of Common Stock on the Applicable Exchange on the date of measurement, or if Shares were not traded on the Applicable Exchange on such measurement date, then on the next preceding date on which Shares were traded, all as reported by such source as the Committee may select. If the Common Stock is not listed on a national securities exchange, Fair Market Value shall be determined by the Committee in its good faith discretion, taking into account, to the extent appropriate, the requirements of Section 409A of the Code.

(v) "*Free-Standing SAR*" has the meaning set forth in Section 5(b).

(w) "*Grant Date*" means (i) the date on which the Committee by resolution selects an Eligible Individual to receive a grant of an Award and determines the number of Shares to be subject to such Award or the formula for earning a number of shares or cash amount or (ii) such later date as the Committee shall provide in such resolution.

(x) "*Group*" shall have the meaning given in Section 13(d)(3) and 14(d)(2) of the Exchange Act.

(y) "*Incentive Compensation*" means any compensation (including any Award or any other short-term or long-term cash or equity incentive award or any other payment) that is (i) granted, earned, or vested based wholly or in part upon the attainment of any financial reporting measure (i.e., any measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measure that is derived wholly or in part from such measures, including stock price and total stockholder return), or (ii) otherwise granted, earned, or vested based upon time/service and/ or performance metrics, as determined in the discretion of the Committee. For avoidance of doubt, financial reporting measures include "non-GAAP financial measures" for purposes of Exchange Act Regulation G and 17 CFR 229.10, as well other measures, metrics and ratios that are not non- GAAP measures, like same store sales. Financial reporting measures may or may not be included in a filing with the Securities and Exchange Commission, and may be presented outside the Company's financial statements, such as in Management's Discussion and Analysis of Financial Conditions and Results of Operations or the performance graph.

(z) "*Individual Agreement*" means an employment, consulting or similar agreement between a Participant and the Company or one of its Subsidiaries or Affiliates.

(aa) "*Nasdaq*" means the National Association of Securities Dealers Inc. Automated Quotation System.

(ab) "*Nonqualified Option*" means any Option that is not an incentive stock option within the meaning of Code Section 422.

(ac) "*Option*" means an Award granted under Section 5.

(ad) "*Participant*" means an Eligible Individual to whom an Award is or has been granted.

(ae) "*Performance Goals*" means the performance goals established by the Committee in connection with the grant of Options, Restricted Stock, Restricted Stock Units or other stock-based awards.

(af) "*Plan*" means this LendingTree, Inc. 2023 Inducement Grant Plan, as set forth herein and as hereafter amended from time to time.

(ag) "*Restricted Stock*" means an Award granted under Section 6.

(ah) "*Restricted Stock Units*" means an Award granted under Section 7.

(ai) "*Resulting Voting Power*" shall mean the outstanding combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors (or equivalent governing body, if applicable) of the entity resulting from a Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries).

(aj) "*Retirement*" means (A) Participant's Termination of Employment with the Company, a Subsidiary, or Affiliate, due to Participant's resignation for any reason (other than due to Participant's death or disability) or due to the Participant's termination without Cause, provided that at such time no facts or circumstances existed that would constitute grounds for the Company to be able to terminate the Participant for Cause and (B) Participant has satisfied the Rule of 65 (as defined below) prior to the effective date of Participant's Termination of Employment.

(ak) "*Rule of 65*" means the sum of (A) Participant's age in years and complete months (rounded to the nearest month) upon the effective date of Participant's Termination of Employment and (B) Participant's years and complete months (rounded to the nearest month) of service with the Company, a Subsidiary, or Affiliate (or a predecessor of each, as applicable) is equal to or exceeds sixty five (65), provided that Participant's age as calculated under (A) shall be no less than sixty (60) and Participant's years of service calculated under (B) shall be no less than five (5).

(al) "*Share*" means a share of Common Stock.

(am) "*Specified Employee*" shall mean any individual who is a "key employee" (as defined in Section 416(i) of the Code without regard to paragraph (5) thereof) with respect to the Company and its Affiliates, as determined by the Company (or the Affiliate, in the event that the Affiliate and the Company are not considered a single employer under Sections 414(b) or 414(c) of the Code) in accordance with its uniform policy with respect to all arrangements subject to Section 409A of the Code, based upon the twelve (12) month period ending on each December 31st. All individuals who are determined to be key employees under Section 416(i)(1)(A)(i), (ii) or (iii) of the Code (without regard to paragraph (5) thereof) on December 31st shall be treated as Specified Employees for purposes of the Plan during the twelve (12) month period that begins on the following April 1st.

(an) "*Stock Appreciation Right*" has the meaning set forth in Section 5(b).

(ao) "*Subsidiary*" means any corporation, partnership, joint venture, limited liability company or other entity during any period in which at least a 50% voting or profits interest is owned, directly or indirectly, by the Company or any successor to the Company.

(ap) "*Tandem SAR*" has the meaning set forth in Section 5(b).

(aq) "*Term*" means the maximum period during which an Option or Stock Appreciation Right may remain outstanding, subject to earlier termination upon Termination of Employment or otherwise, as specified in the applicable Award Agreement.

(ar) "*Termination of Employment*" means the termination of the applicable Participant's employment with, or performance of services for, the Company and any of its Subsidiaries or Affiliates. Unless otherwise determined by the Committee, if a Participant's employment with the Company and its Affiliates terminates but such Participant continues to provide services to the Company and its Affiliates as an employee or consultant, as applicable, such change in status shall not be deemed a Termination of Employment. A Participant employed by, or performing services for, a Subsidiary or an Affiliate or a division of the Company and its Affiliates shall be deemed to incur a Termination of Employment if, as a result of a Disaffiliation, such Subsidiary, Affiliate, or division ceases to be a Subsidiary, Affiliate or division, as the case may be, and the Participant does not immediately thereafter become an employee of the Company or another Subsidiary or Affiliate. Temporary absences from employment because of illness, vacation or leave of absence and transfers among the Company and its Subsidiaries and Affiliates shall not be considered Terminations of Employment. Notwithstanding the foregoing, with respect to any Award that constitutes a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code, "Termination of Employment" shall mean a "separation from service" as defined under Section 409A of the Code.

Section 2. Administration

(a) *Committee*. The Plan shall be administered by the Compensation Committee of the Board (the "*Committee*"), which shall be composed of not less than two independent directors, and shall be appointed by and serve at the pleasure of the Board. The Committee shall, subject to Section 10, have plenary authority to grant Awards pursuant to the terms of the Plan to Eligible Individuals. Among other things, the Committee shall have the authority, subject to the terms and conditions of the Plan:

(i) to select the Eligible Individuals to whom Awards may from time to time be granted;

(ii) to determine whether and to what extent Nonqualified Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, other stock-based awards, or any combination thereof, are to be granted hereunder;

(iii) to determine the number of Shares to be covered by each Award granted hereunder;

(iv) to determine the terms and conditions, including Performance Goals (if any) and their degree of satisfaction, of each Award granted hereunder, based on such factors as the Committee shall determine;

(v) subject to Section 11, to modify, amend or adjust the terms and conditions of any Award;

(vi) to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall from time to time deem advisable;

(vii) to accelerate the vesting or lapse of restrictions of any outstanding Award and/or to extend the exercise period of an Award, based in each case on such considerations as the Committee in its sole discretion determines;

(viii) to interpret the terms and provisions of the Plan and any Award issued under the Plan (and any agreement relating thereto);

(ix) to establish any "blackout" period that the Committee in its sole discretion deems necessary or advisable;

(x) to determine whether, to what extent, and under what circumstances cash, Shares, and other property and other amounts payable with respect to an Award under this Plan shall be deferred either automatically or at the election of the Participant;

(xi) to decide all other matters that must be determined in connection with an Award; and

(xii) to otherwise administer the Plan.

(b) *Procedures*.

(i) The Committee may act only by a majority of its members then in office, except that the Committee may, except to the extent prohibited by applicable law or the listing standards of the Applicable Exchange and subject to Section 10, allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it.

(ii) Subject to Section 10, any authority granted to the Committee may also be exercised by the full Board. To the extent that any permitted action taken by the Board conflicts with action taken by the Committee, the Board action shall control.

(c) *Discretion of Committee*. Any determination made by the Committee or by an appropriately delegated officer pursuant to delegated authority under the provisions of the Plan with respect to any Award shall be made in the sole discretion of the Committee or such delegate at the time of the grant of the Award or, unless in contravention of any express term of the Plan, at any time thereafter. All decisions made by the Committee or any appropriately delegated officer pursuant to the provisions of the Plan shall be final and binding on all persons, including the Company, Participants, and Eligible Individuals, and shall receive the maximum deference permitted under applicable laws.

(d) *Award Agreements*. The terms and conditions of each Award, as determined by the Committee, shall be set forth in an Award Agreement, which shall be delivered to the Participant receiving such Award upon, or as promptly as is reasonably practicable following, the grant of such Award. The effectiveness of an Award shall not be subject to the Award Agreement's being signed by the Company and the Participant receiving the Award unless specifically so provided in the Award Agreement. Award Agreements may be amended only in accordance with Section 11 hereof. Notwithstanding any provision of the Plan or an Award Agreement to the contrary, in the event that any term of an Award Agreement conflicts with any provision of the Plan that specifically pertains to Section 409A of the Code, the provision of the Plan shall govern.

Section 3. Common Stock Subject to Plan

(a) *Plan Maximums*. Shares subject to an Award under the Plan shall be for an award granted as an inducement grant pursuant to Nasdaq Listing Rule 5635(c) or under the rules of an exchange on which the Common Stock is traded, to the extent it is not traded on Nasdaq. Subject to Sections 3(c) and 3(d), as of the Effective Date, the maximum number of Shares that may be delivered pursuant to Awards granted under the Plan is 100,000. Shares subject to an Award under the Plan may be authorized and unissued Shares or may be treasury Shares.

(b) *Rules for Calculating Shares Delivered.*

(i) To the extent that any Award is forfeited, or any Option and the related Tandem SAR (if any) or Free-Standing SAR terminates, expires or lapses without being exercised (specifically including the Award contemplated by clause (iii) below), or any Award is settled for cash, the Shares subject to such Awards not delivered as a result thereof shall again be (or shall newly be, as applicable) available for Awards under the Plan.

(ii) If the exercise price of any Option and/or the tax withholding obligations relating to any Award are satisfied by delivering Shares to the Company (by either actual delivery or by attestation), only the number of Shares issued net of the Shares delivered or attested to shall be deemed delivered for purposes of the limit set forth in Section 3(a). To the extent any Shares subject to an Award are withheld to satisfy the exercise price and/or the tax withholding obligations relating to any Award, such Shares shall not be deemed to have been delivered for purposes of the limit set forth in Section 3(a) and shall therefore again be (or shall newly be, as applicable) available for Awards under the Plan.

(iii) Any dividend equivalents distributed under the Plan shall count against the Share limit set forth in Section 3(a). Dividends and dividend equivalents will not be paid (or accrue) on unexercised Options or unexercised Stock Appreciation Rights. Any dividends or dividend equivalents payable on any other Awards under the plan shall be subject to the same vesting and risk of forfeiture as the underlying Award and shall be payment if, when and to the extent the underling Award has vested.

(c) *Adjustment Provision*. In the event of a merger, consolidation, amalgamation acquisition of property or shares, stock rights offering, liquidation, Disaffiliation, or similar event affecting the Company or any of its Subsidiaries (each, a "*Corporate Transaction*"), the Committee or the Board shall in its discretion make such substitutions or adjustments as it deems appropriate and equitable to (w) the aggregate number and kind of Shares or other securities reserved for issuance and delivery under the Plan, (x) the maximum limitation set forth in Section 3(a) upon certain types of Awards and upon the grants to individuals of certain types of Awards, (y) the number and kind of Shares or other securities subject to outstanding Awards; and (z) the exercise price of outstanding Options and Stock Appreciation Rights. In the event of a stock dividend, stock split, reverse stock split, separation, spinoff, reorganization, extraordinary dividend of cash or other property, share combination, or recapitalization or similar event affecting the capital structure of the Company (each, a "*Share Change*"), the Committee or the Board shall make such substitutions or adjustments as it deems appropriate and equitable to (i) the aggregate number and kind of Shares or other securities reserved for issuance and delivery under the Plan, (ii) the maximum limitation set forth in Section 3(a) upon certain types of Awards and upon the grants to individuals of certain types of Awards, (iii) the number and kind of Shares or other securities subject to outstanding Awards; (iv) the exercise price of outstanding Options and Stock Appreciation Rights, and (v) and/or the terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria with respect thereto); provided, however, that any fractional shares resulting from the adjustment shall be eliminated. In the case of Corporate Transactions, such adjustments may include, without limitation, (1) the cancellation of outstanding Awards in exchange for payments of cash, property or a combination thereof having an aggregate value equal to the value of such Awards, as determined by the Committee or the Board in its sole discretion (it being understood that in the case of a Corporate Transaction with respect to which stockholders of Common Stock receive consideration other than publicly traded equity securities of the ultimate surviving entity, any such determination by the Committee that the value of an Option or Stock Appreciation Right shall for this purpose be deemed to equal the excess, if any, of the value of the consideration being paid for each Share pursuant to such Corporate Transaction over the exercise price of such Option or Stock Appreciation Right shall conclusively be deemed valid); (2) the substitution of other property (including, without limitation, cash or other securities of the Company and securities of entities other than the Company) for the Shares subject to outstanding Awards; and (3) in connection with any Disaffiliation, arranging for the assumption of Awards, or replacement of Awards with new awards based on other property or other securities (including, without limitation, other securities of the Company and securities of entities other than the Company), by the affected Subsidiary, Affiliate, or division or by the entity that controls such Subsidiary, Affiliate, or division following such Disaffiliation (as well as any corresponding adjustments to Awards that remain based upon Company securities). The Committee may adjust in its sole discretion the Performance Goals applicable to any Awards to reflect any Share Change and any Corporate Transaction and any unusual or non-recurring events and other extraordinary items, impact of charges for restructurings, discontinued operations, and the cumulative effects of accounting or tax changes, each as defined by generally accepted accounting principles or as identified in the Company's financial statements, notes to the financial statements, management's discussion and analysis or the Company's other SEC filings. Any adjustment under this Section 3(d) need not be the same for all Participants. Any adjustment of Shares pursuant to this Section 3(d) shall be rounded down to the nearest whole number of Shares. Under no circumstances shall the Company be required to authorize or issue fractional shares. To the extent permitted by applicable law, no consideration shall be provided as a result of any fractional shares not being issued or authorized.

(d) *Section 409A*. Notwithstanding the foregoing: (i) any adjustments made pursuant to Section 3(d) to Awards that are considered "deferred compensation" within the meaning of Section 409A of the Code shall be made in compliance with the requirements of Section 409A of the Code; and (ii) any adjustments made pursuant to Section 3(d) to Awards that are not considered "deferred compensation" subject to Section 409A of the Code shall be made in such a manner as to ensure that after such adjustment, the Awards either (A) continue not to be subject to Section 409A of the Code or (B) comply with the requirements of Section 409A of the Code.

Section 4. Eligibility

Awards may be granted under the Plan to Eligible Individuals.

Section 5. Options and Stock Appreciation Rights

(a) *Type of Options*. Options may be Nonqualified Options.

(b) *Types and Nature of Stock Appreciation Rights*. Stock Appreciation Rights may be "*Tandem SARs*," which are granted in conjunction with an Option, or "*Free-Standing SARs*," which are not granted in conjunction with an Option. Upon the exercise of a Stock Appreciation Right, the Participant shall be entitled to receive an amount in cash, Shares, or both, in aggregate value equal to the product of (i) the excess of the Fair Market Value of one Share over the exercise price of the applicable Stock Appreciation Right, multiplied by (ii) the number of Shares in respect of which the Stock Appreciation Right has been exercised. The applicable Award Agreement shall specify whether such payment is to be made in cash or Common Stock or both, or shall reserve to the Committee or the Participant the right to make that determination prior to or upon the exercise of the Stock Appreciation Right.

(c) *Tandem SARs*. A Tandem SAR may be granted at the Grant Date of the related Option. A Tandem SAR shall be exercisable only at such time or times and to the extent that the related Option is exercisable in accordance with the provisions of this Section 5, and shall have the same exercise price as the related Option. A Tandem SAR shall proportionately terminate or be forfeited upon the exercise or forfeiture of the related Option, and the related Option shall proportionately terminate or be forfeited upon the exercise or forfeiture of the Tandem SAR.

(d) *Exercise Price*. The exercise price per Share subject to an Option or Free-Standing SAR shall be determined by the Committee and set forth in the applicable Award Agreement, and shall not be less than the Fair Market Value of a Share on the applicable Grant Date. In no event may any Option or Free-Standing SAR granted under this Plan be amended, other than pursuant to Section 3(d), to decrease the exercise price thereof, to be canceled when the exercise price per Share exceeds the Fair Market Value of one Share in exchange for cash or another Award (other than in connection with a Corporate Transaction), or otherwise be subject to any action that would be treated, for accounting purposes, as a "repricing" of such Option or Free-Standing SAR, unless such amendment, cancellation, or action is approved by the Administrator, or the Company's stockholders, if required.

(e) *Term*. The Term of each Option and each Free-Standing SAR shall be fixed by the Committee, but shall not exceed ten years from the Grant Date.

(f) *Vesting and Exercisability*. Except as otherwise provided herein, Options and Free-Standing SARs shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee. If the Committee provides that any Option or Free-Standing SAR will become exercisable only in installments, the Committee may at any time waive such installment exercise provisions, in whole or in part, based on such factors as the Committee may determine. In addition, the Committee may at any time accelerate the exercisability of any Option or Free-Standing SAR.

(g) *Method of Exercise*. Subject to the provisions of this Section 5, Options and Free-Standing SARs may be exercised, in whole or in part, at any time during the applicable Term by giving written notice of exercise to the Company or through the procedures established with the Company's appointed third-party Option administrator specifying the number of Shares as to which the Option or Free-Standing SAR is being exercised; *provided, however*, that, unless otherwise permitted by the Committee, any such exercise must be with respect to a portion of the applicable Option or Free-Standing SAR relating to no less than the lesser of the number of Shares then subject to such Option or Free-Standing SAR or 100 Shares. In the case of the exercise of an Option, such notice shall be accompanied by payment in full of the purchase price (which shall equal the product of such number of Shares multiplied by the applicable exercise price) by certified or bank check or such other instrument as the Company may accept. If approved by the Committee, payment, in full or in part, may also be made as follows:

(i) Payments may be made in the form of unrestricted Shares (by delivery of such Shares or by attestation) of the same class as the Common Stock subject to the Option already owned by the Participant (based on the Fair Market Value of the Common Stock on the date the Option is exercised).

(ii) To the extent permitted by applicable law, payment may be made by delivering a properly executed exercise notice to the Company, together with a copy of irrevocable instructions to a broker to deliver promptly to the Company the amount of sale or loan proceeds necessary to pay the purchase price, and, if requested, the amount of any federal, state, local or foreign withholding taxes. To facilitate the foregoing, the Company may, to the extent permitted by applicable law, enter into agreements for coordinated procedures with one or more brokerage firms. To the extent permitted by applicable law, the Committee may also provide for Company loans to be made for purposes of the exercise of Options.

(iii) Payment may be made by instructing the Company to withhold a number of Shares having a Fair Market Value (based on the Fair Market Value of the Common Stock on the date the applicable Option is exercised) equal to the product of (A) the exercise price multiplied by (B) the number of Shares in respect of which the Option shall have been exercised.

(h) *Delivery; Rights of Stockholders*. No Shares shall be delivered (and, in the case of an Option and Stock Appreciation Right, such Award shall not be deemed exercised) pursuant to the exercise of an Option until the exercise price therefor has been fully paid and the Participant has satisfied any applicable withholding or tax obligations relating to the Option. The Participant's Awards shall be deemed exercised and the Participant shall have all of the rights of a stockholder of the Company holding the class or series of Common Stock that is subject to the Option or Stock Appreciation Right, when the Participant (i) has given written notice of exercise, (ii) if requested, has given the representation described in Section 13(a), (iii) in the case of an Option, has paid in full for such Shares, and (iv) has satisfied any applicable withholding or tax obligations relating to the Option or Stock Appreciation Right.

(i) Termination of Employment. Subject to Section 9, a Participant's Options and Stock Appreciation Rights shall be forfeited upon such Participant's Termination of Employment, except as set forth below:

(i) Upon a Participant's Termination of Employment by reason of death, any Option or Stock Appreciation Right held by the Participant that was exercisable immediately before the Termination of Employment may be exercised at any time until the earlier of (A) the first anniversary of the date of such death and (B) the expiration of the Term thereof;

(ii) Upon a Participant's Termination of Employment by reason of Disability or Retirement, any Option or Stock Appreciation Right held by the Participant that was exercisable immediately before the Termination of Employment may be exercised at any time until the earlier of (A) the first anniversary of such Termination of Employment and (B) the expiration of the Term thereof;

(iii) Upon a Participant's Termination of Employment for any reason other than death, Disability, Retirement or for Cause, any Option or Stock Appreciation Right held by the Participant that was exercisable immediately before the Termination of Employment may be exercised at any time until the earlier of (A) three months following such Termination of Employment and (B) expiration of the Term thereof; and

(iv) Notwithstanding the above provisions of this Section 5(i), if a Participant dies after such Participant's Termination of Employment but while any Option or Stock Appreciation Right remains exercisable as set forth above, such Option or Stock Appreciation Right may be exercised at any time until the later of (A) the first anniversary of the date of such death and (B) the last date on which such Option or Stock Appreciation Right would have been exercisable, absent this Section 5(i)(iv), but in no event later than the expiration of the Term thereof.

Notwithstanding the foregoing, the Committee shall have the power, in its discretion, to apply different rules concerning the consequences of a Termination of Employment; *provided, however*, that if such rules are less favorable to the Participant than those set forth above, such rules are set forth in the applicable Award Agreement.

(j) *Nontransferability of Options and Stock Appreciation Rights*. No Option or Free-Standing SAR shall be transferable by a Participant other than (i) by will or by the laws of descent and distribution, or (ii) in the case of a Nonqualified Option or Free-Standing SAR, pursuant to a qualified domestic relations order or as otherwise expressly permitted by the Committee including (in each case, for no consideration), if so permitted, pursuant to a transfer to the Participant's family members or to a charitable organization, whether directly or indirectly or by means of a trust or partnership or otherwise. For purposes of this Plan, unless otherwise determined by the Committee, "family member" shall have the meaning given to such term in General Instructions A.1(a)(5) to Form S-8 under the Securities Act of 1933, as amended, and any successor thereto. A Tandem SAR shall be transferable only with the related Option as permitted by the preceding sentence. Any Option or Stock Appreciation Right shall be exercisable, subject to the terms of this Plan, only by the applicable Participant, the guardian or legal representative of such Participant, or any person to whom such Option or Stock Appreciation Right is permissibly transferred pursuant to this Section 5(j), it being understood that the term "Participant" includes such guardian, legal representative and other transferee; *provided, however*, that the term "Termination of Employment" shall continue to refer to the Termination of Employment of the original Participant.

Section 6. Restricted Stock

(a) *Nature of Awards and Certificates*. Shares of Restricted Stock are actual Shares issued to a Participant, and shall be evidenced in such manner as the Committee may deem appropriate, including book-entry registration or issuance of one or more stock certificates. Any certificate issued in respect of Shares of Restricted Stock shall be registered in the name of the applicable Participant and, in the case of Restricted Stock, shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, substantially in the following form, in addition to any other legend the Committee determines appropriate:

"The transferability of this certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) of the LendingTree, Inc. 2023 Inducement Grant Plan and an Award Agreement. Copies of such Plan and Award Agreement are on file at the offices of LendingTree, Inc., 1415 Vantage Park Drive, Suite 700, Charlotte, NC 28203."

The Committee may require that the certificates evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed and that, as a condition of any Award of Restricted Stock, the applicable Participant shall have delivered a stock power, endorsed in blank, relating to the Common Stock covered by such Award.

(b) *Terms and Conditions*. Shares of Restricted Stock shall be subject to the following terms and conditions:

(i) The Committee shall, prior to or at the time of grant, condition the vesting or transferability of an Award of Restricted Stock upon the continued service of the applicable Participant or the attainment of Performance Goals, or the attainment of Performance Goals and the continued service of the applicable Participant. The conditions for grant, vesting, or transferability and the other provisions of Restricted Stock Awards (including without limitation any Performance Goals) need not be the same with respect to each Participant.

(ii) Subject to the provisions of the Plan and the applicable Award Agreement, during the period, if any, set by the Committee, commencing with the date of such Restricted Stock Award for which such vesting restrictions apply and until the expiration of such vesting restrictions (the "*Restriction Period*"), the Participant shall not be permitted to sell, assign, transfer, pledge or otherwise encumber Shares of Restricted Stock.

(iii) Except as provided in this Section 6 and in the applicable Award Agreement, the applicable Participant shall have, with respect to the Shares of Restricted Stock, all of the rights of a stockholder of the Company holding the class or series of Common Stock that is the subject of the Restricted Stock, including, if applicable, the right to vote the Shares. For the avoidance of doubt, Participants shall be eligible to receive dividends in respect of their Shares of Restricted Stock, subject to Section 13(e) and the vesting of the underlying Restricted Stock, and any such dividends shall not be paid prior to such vesting.

(iv) Except as otherwise set forth in the applicable Award Agreement, upon a Participant’s Termination of Employment for any reason during the Restriction Period, all Shares of Restricted Stock still subject to restriction shall be forfeited by such Participant without consideration (except for repayment of any amounts the Participant had paid to the Company to acquire unvested Shares underlying the forfeited Awards); provided, however, that the Committee shall have the discretion to waive, in whole or in part, any or all remaining restrictions with respect to any or all of such Participant’s Shares of Restricted Stock.

(v) If and when any applicable Performance Goals are satisfied and the Restriction Period expires without a prior forfeiture of the Shares of Restricted Stock for which legended certificates have been issued, unlegended certificates for such Shares shall be delivered to the Participant upon surrender of the legended certificates.

Section 7. Restricted Stock Units

(a) *Nature of Awards*. Restricted Stock Units are Awards denominated in Shares that will be settled, subject to the terms and conditions of the Restricted Stock Units, in an amount in cash, Shares or both, based upon the Fair Market Value of a specified number of Shares.

(b) *Terms and Conditions*. Restricted Stock Units shall be subject to the following terms and conditions:

(i) The Committee shall, prior to or at the time of grant, condition the grant, vesting, or transferability of Restricted Stock Units upon the continued service of the applicable Participant or the attainment of Performance Goals, or the attainment of Performance Goals and the continued service of the applicable Participant. The conditions for grant, vesting or transferability and the other provisions of Restricted Stock Units (including without limitation any Performance Goals) need not be the same with respect to each Participant. Except as otherwise provided in Section 7(b)(iv) or in the applicable Award Agreement, an Award of Restricted Stock Units shall be settled if and when the Restricted Stock Units vest (but in no event later than two and a half months after the end of the fiscal year in which the Restricted Stock Units vest).

(ii) Subject to the provisions of the Plan and the applicable Award Agreement, during the period, if any, set by the Committee, commencing with the date of such Restricted Stock Units for which such vesting restrictions apply and until the expiration of such vesting restrictions (the “*Restriction Period*”), the Participant shall not be permitted to sell, assign, transfer, pledge or otherwise encumber Restricted Stock Units.

(iii) The Award Agreement for Restricted Stock Units shall specify whether, to what extent and on what terms and conditions the applicable Participant shall be entitled to receive dividend equivalents (subject to Section 13(e) below); *provided* that any dividend equivalents shall be subject to the vesting of the underlying Restricted Stock Units. For the avoidance of doubt, any such cash, Common Stock or other property shall not be paid prior to such vesting.

(iv) Except as otherwise set forth in the applicable Award Agreement, upon a Participant’s Termination of Employment for any reason during the Restriction Period, all Restricted Stock Units still subject to restriction shall be forfeited by such Participant; provided, however, that the Committee shall have the discretion to waive, in whole or in part, any or all remaining restrictions with respect to any or all of such Participant’s Restricted Stock Units, provided, however, if any of such Participant’s Restricted Stock Units constitute a “nonqualified deferred compensation plan” within the meaning of Section 409A of the Code, settlement of such Restricted Stock Units shall not occur until the earliest of (1) the date such Restricted Stock Units would otherwise be settled pursuant to the terms of the Award Agreement or (2) the Participant’s “separation of service” within the meaning of Section 409A of the Code.

Section 8. Other Stock-Based Awards

Other Awards of Common Stock and other Awards that are valued in whole or in part by reference to, or are otherwise based upon or settled in, Common Stock, including (without limitation), unrestricted stock, performance units, dividend equivalents, and convertible debentures, may be granted under the Plan (in each case subject to the terms of the Plan, including but not limited to, Section 3(c)(iii)).

Section 9. Change in Control Provisions

(a) *Impact of Event*. Subject to paragraph (d) of this Section 9, Section 3(d), and paragraph (d) of Section 11, unless otherwise provided in any applicable Award Agreement, in connection with a Change in Control, the Committee may make such adjustments and/or settlements of outstanding Awards as it deems appropriate and consistent with the Plan's purposes, including, without limitation, the termination of and/or acceleration of vesting of Awards either upon a Change in Control or upon various terminations of employment following a Change in Control. The Committee may provide for such adjustments as a term of the Award or may make such adjustments following the granting of the Award.

(b) *Definition of Change in Control*. For purposes of the Plan, unless otherwise provided in an option agreement or other agreement relating to an Award, a "*Change in Control*" shall mean the happening of any of the following events:

(i) The acquisition by any individual, entity or Group (a "*Person*"), other than the Company, of Beneficial Ownership of equity securities of the Company representing more than 50% of the voting power of the then outstanding equity securities of the Company entitled to vote generally in the election of directors (the "*Outstanding Company Voting Securities*"); provided, however, that any acquisition that would constitute a Change in Control under this subsection (i) that is also a Business Combination shall be determined exclusively under subsection (iii) below; or

(ii) Individuals who, as of the Effective Date, constitute the Board (the "*Incumbent Directors*") cease for any reason to constitute at least a majority of the Board during any 24 months period; provided, however, that any individual becoming a director subsequent to the Effective Date, whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the Incumbent Directors at such time shall become an Incumbent Director, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(iii) Consummation of a reorganization, merger, consolidation, amalgamation, sale or other disposition of all or substantially all of the assets of the Company, the purchase of assets or stock of another entity, or other similar corporate transaction (a "*Business Combination*"), in each case, unless immediately following such Business Combination, (A) more than 50% of the Resulting Voting Power shall reside in Outstanding Company Voting Securities retained by the Company's stockholders in the Business Combination and/or voting securities received by such stockholders in the Business Combination on account of Outstanding Company Voting Securities, and (B) at least a majority of the members of the board of directors (or equivalent governing body, if applicable) of the entity resulting from such Business Combination were Incumbent Directors at the time of the initial agreement, or action of the Board, providing for such Business Combination; or

(iv) Consummation of a complete liquidation or dissolution of the Company.

(c) For purposes of this Section 9, "*Good Reason*" means (i) "Good Reason" as defined in any Individual Agreement or Award Agreement to which the applicable Participant is a party, or (ii) if there is no such Individual Agreement or if it does not define Good Reason, without the Participant's prior written consent: (A) a material reduction in the Participant's rate of annual base salary from the rate of annual base salary in effect for such Participant immediately prior to the Change in Control, (B) a relocation of the Participant's principal place of business more than 35 miles from the city in which such Participant's principal place of business was located immediately prior to the Change in Control or (C) a material and demonstrable adverse change in the nature and scope of the Participant's duties from those in effect immediately prior to the Change in Control. In order to invoke a Termination of Employment for Good Reason, a Participant shall provide written notice to the Company of the existence of one or more of the conditions described in clauses (A) through (C) within 90 days following the Participant's knowledge (or date Participant should have reasonably become aware of) of the initial existence of such condition or conditions, and the Company shall have 30 days following receipt of such written notice (the "*Cure Period*") during which it may remedy the condition. In the event that the Company fails to remedy the condition constituting Good Reason during the Cure Period, the Participant must terminate employment, if at all, within 30 days following the Cure Period in order for such Termination of Employment to constitute a Termination of Employment for Good Reason.

(d) Notwithstanding the foregoing, to the extent required to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, a "Change in Control" shall be deemed to have occurred with respect to the Plan only if a change in the ownership, effective control, or a change in ownership of a substantial portion of the assets. of the Company shall also be deemed to have occurred under Section 409A.

Section 10. Section 16(b) of the Exchange Act

The provisions of this Plan are intended to ensure that no transaction under the Plan is subject to (and not exempt from) the short-swing recovery rules of Section 16(b) of the Exchange Act ("*Section 16(b)*"). Accordingly, the composition of the Committee shall be subject to such limitations as the Board deems appropriate to permit transactions pursuant to this Plan to be exempt (pursuant to Rule 16b-3 promulgated under the Exchange Act) from Section 16(b), and no delegation of authority by the Committee shall be permitted if such delegation would cause any such transaction to be subject to (and not exempt from) Section 16(b).

Section 11. Term, Amendment and Termination

(a) *Effectiveness*. The Plan will become effective upon the Effective Date.

(b) *Termination*. The Plan will terminate on the tenth anniversary of the Effective Date, and may be terminated on any earlier date pursuant to Section 11(c). Awards outstanding as of such termination date shall not be affected or impaired by the termination of the Plan.

(c) *Amendment of Plan*. The Board may amend, alter, or discontinue the Plan, but, subject to Section 3(d), no amendment, alteration or discontinuation shall be made which would materially impair the rights of the Participant with respect to a previously granted Award without such Participant's consent, except such an amendment made to comply with applicable law, including without limitation Section 409A of the Code, stock exchange rules or accounting rules. In addition, no such amendment shall be made without the approval of the Company's stockholders to the extent such approval is required by applicable law or the listing standards of the Applicable Exchange.

(d) *Amendment of Awards*. Subject to Section 5(d), the Committee may unilaterally amend the terms of any Award theretofore granted, but, subject to Section 3(d) no such amendment shall without the Participant's consent materially impair the rights of any Participant with respect to an Award, except such an amendment made to cause the Plan or Award to comply with applicable law, stock exchange rules or accounting rules.

Section 12. Unfunded Status of Plan

It is presently intended that the Plan constitute an "unfunded" plan for incentive and deferred compensation. Solely to the extent permitted under Section 409A, the Committee may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver Common Stock or make payments; *provided, however*, that the existence of such trusts or other arrangements is consistent with the "unfunded" status of the Plan. Notwithstanding any other provision of this Plan to the contrary, with respect to any Award that constitutes a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code, no trust shall be funded with respect to any such Award if such funding would result in taxable income to the Participant by reason of Section 409A(b) of the Code and in no event shall any such trust assets at any time be located or transferred outside of the United States, within the meaning of Section 409A(b) of the Code.

Section 13. General Provisions

(a) *Conditions for Issuance*. The Committee may require each person purchasing or receiving Shares pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the Shares without a view to the distribution thereof. The certificates for such Shares may include any legend which the Committee deems appropriate to reflect any restrictions on transfer. Notwithstanding any other provision of the Plan or agreements made pursuant thereto, the Company shall not be required to issue or deliver any certificate or certificates for Shares under the Plan prior to fulfillment of all of the following conditions: (i) listing or approval for listing upon notice of issuance, of such Shares on the Applicable Exchange; (ii) any registration or other qualification of such Shares of the Company under any state or federal law or regulation, or the maintaining in effect of any such registration or other qualification which the Committee shall, in its absolute discretion upon the advice of counsel, deem necessary or advisable; and (iii) obtaining any other consent, approval, or permit from any state or federal governmental agency which the Committee shall, in its absolute discretion after receiving the advice of counsel, determine to be necessary or advisable.

(b) *Additional Compensation Arrangements*. Nothing contained in the Plan shall prevent the Company or any Subsidiary or Affiliate from adopting other or additional compensation arrangements for its employees.

(c) *No Contract of Employment*. The Plan shall not constitute a contract of employment, and adoption of the Plan shall not confer upon any employee any right to continued employment, nor shall it interfere in any way with the right of the Company or any Subsidiary or Affiliate to terminate the employment of any employee at any time.

(d) *Required Taxes*. No later than the date as of which an amount first becomes includible in the gross income of a Participant for federal, state, local or foreign income or employment or other tax purposes with respect to any Award under the Plan, such Participant shall pay to the Company, or make arrangements satisfactory to the Company 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. If determined by the Company, withholding obligations may be settled with Common Stock, including Common Stock that is part of the Award that gives rise to the withholding requirement. The obligations of the Company under the Plan shall be conditional on such payment or arrangements, and the Company and its Affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to such Participant. The Committee may establish such procedures as it deems appropriate, including making irrevocable elections, for the settlement of withholding obligations with Common Stock. To the extent necessary to avoid liability-classification of the Award (or other adverse accounting treatment) under applicable financial accounting rules, the amount of such tax withholding shall not exceed the maximum statutory federal, state or local income tax rates applicable to the Participant with respect to the Award on the date that the amount of tax to be withheld is to be determined.

(e) *Limitation on Dividend Reinvestment and Dividend Equivalents*. Reinvestment of dividends in additional Restricted Stock at the time of any dividend payment, and the payment of Shares with respect to dividends to Participants holding Awards of Restricted Stock Units, shall only be permissible if sufficient Shares are available under Section 3 for such reinvestment or payment (taking into account then outstanding Awards). In the event that sufficient Shares are not available for such reinvestment or payment, such reinvestment or payment shall be made in the form of a grant of Restricted Stock Units equal in number to the Shares that would have been obtained by such payment or reinvestment, the terms of which Restricted Stock Units shall provide for settlement in cash and for dividend equivalent reinvestment in further Restricted Stock Units on the terms contemplated by this Section 13(e).

(f) *Designation of Death Beneficiary*. The Committee shall establish such procedures as it deems appropriate for a Participant to designate a beneficiary to whom any amounts payable in the event of such Participant's death are to be paid or by whom any rights of such eligible Individual, after such Participant's death, may be exercised.

(g) *Subsidiary Employees*. In the case of a grant of an Award to any employee of a Subsidiary of the Company, the Company may, if the Committee so directs, issue or transfer the Shares, if any, covered by the Award to the Subsidiary, for such lawful consideration as the Committee may specify, upon the condition or understanding that the Subsidiary will transfer the Shares to the employee in accordance with the terms of the Award specified by the Committee pursuant to the provisions of the Plan. All Shares underlying Awards that are forfeited or canceled should revert to the Company.

(h) *Governing Law and Interpretation*. The Plan and (unless otherwise provided in the Award Agreement) all Awards made and actions taken thereunder shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to principles of conflict of laws. The captions of this Plan are not part of the provisions hereof and shall have no force or effect.

(i) *Non-Transferability*. Except as otherwise provided in Section 5(j) or by the Committee, Awards under the Plan are not transferable except by will or by laws of descent and distribution.

(j) *Foreign Employees and Foreign Law Considerations*. The Committee may grant Awards to Eligible Individuals who are foreign nationals, who are located outside the United States or who are not compensated from a payroll maintained in the United States, or who are otherwise subject to (or could cause the Company to be subject to) legal or regulatory provisions of countries or jurisdictions outside the United States, on such terms and conditions different from those specified in the Plan as may, in the judgment of the Committee, be necessary or desirable to foster and promote achievement of the purposes of the Plan, and, in furtherance of such purposes, the Committee may make such modifications, amendments, procedures, or subplans as may be necessary or advisable to comply with such legal or regulatory provisions.

(k) *Section 409A of the Code*. The Plan as well as payments and benefits under the Plan are intended to be exempt from, or to the extent subject thereto, to comply with Section 409A of the Code, and, accordingly, to the maximum extent permitted, the Plan shall be interpreted in accordance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, the Participant shall not be considered to have terminated employment or service with the Company for purposes of the Plan and no payment shall be due to the Participant under the Plan or any Award until the Participant would be considered to have incurred a "separation from service" from the Company and its Affiliates within the meaning of Section 409A of the Code. Any payments described in the Plan that are due within the "short term deferral period" as defined in Section 409A of the Code shall not be treated as deferred compensation unless Applicable Law requires otherwise. Notwithstanding anything to the contrary in the Plan, to the extent that any Awards (or any other amounts payable under any plan, program or arrangement of the Company or any of its Affiliates) are payable upon a separation from service and such payment would result in the imposition of any individual tax and penalty interest charges imposed under Section 409A of the Code, the settlement and payment of such awards (or other amounts) shall instead be made on the first business day after the date that is six (6) months following such separation from service (or death, if earlier). Any payment made pursuant to any Award shall be considered a separate payment and not one of a series of payments for purposes of Section 409A of the Code. The Company makes no representation that any or all of the payments or benefits described in this Plan will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. In no event whatsoever shall the Company be liable for any additional tax, interest or penalties that may be imposed on a Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

(l) *Suspension or Termination of Awards*. If at any time (including after a notice of exercise has been delivered) the Committee (or the Board), reasonably believes that a Participant has committed an act of Cause (which includes a failure to act), the Committee (or Board) may suspend the Participant's right to exercise any Award (or vesting or settlement of any Award) pending a determination of whether there was in fact an act of Cause. If the Committee (or the Board) determines a Participant has committed an act of Cause, neither the Participant nor his or her estate shall be entitled to exercise any outstanding Award whatsoever and all of Participant's outstanding Awards shall then terminate without consideration. Any determination by the Committee (or the Board) with respect to the foregoing shall be final, conclusive and binding on all interested parties.

(m) *Successor Provision*. Any reference to a statute, rule or regulation, or to a section of a statute, rule or regulation, is a reference to that statute, rule, regulation, or section as amended from time to time, both before and after the Effective Date and including any successor provisions.

(n) *Clawback Policy*.

(i) If the Company is required to prepare an accounting restatement of its financial statements due to the Company's material noncompliance (whether one occurrence or a series of occurrences of noncompliance) with any financial reporting requirement under the securities laws (including if the Company is required to prepare an accounting restatement to correct an error (or a series of errors)) (a "*Covered Accounting Restatement*"), and if such Covered Accounting Restatement includes (i) restatements that correct errors that are material to previously issued financial statements (commonly referred to as "Big R" restatements), and (ii) restatements that correct errors that are not material to previously issued financial statements, but would result in a material misstatement if (a) the errors were left uncorrected in the current report or (b) the error correction was recognized in the current period (commonly referred to as "little r" restatements), then the Committee may, in its sole discretion, require any Covered Executive to repay (in which event, such Covered Executive shall, within thirty (30) days of the notice by the Company, repay to the Company) or forfeit (in which case, such Covered Executive shall immediately forfeit to the Company) to the Company, and each Covered Executive hereby agrees to so repay or forfeit, that portion of the Incentive Compensation received by such Covered Executive during the period comprised of the Company's three (3) completed fiscal years (together with any intermittent stub fiscal year period(s) of less than nine (9) months resulting from Company's transition to different fiscal year measurement dates) immediately preceding the date the Company is deemed (as described below) to be required to prepare a Covered Accounting Restatement (such period, the "*Look-Back Period*"), that the Committee determines was in excess of the amount of Incentive Compensation that such Covered Executive would have received during such Look-Back Period, had such Incentive Compensation been calculated based on the restated amounts, and irrespective of any fault, misconduct or responsibility of such Covered Executive for the Covered Accounting Restatement. It is specifically understood that, to the extent that the impact of the Covered Accounting Restatement on the amount of Incentive Compensation received cannot be calculated directly from the information therein (e.g., if such restatement's impact on the Company's stock price is not clear), such excess amount of Incentive Compensation shall be determined based on a reasonable estimate by the Committee of the effect of the Covered Accounting Restatement on the applicable financial measure (including the stock price or total stockholder return) based upon which the Incentive Compensation was received. In addition, in the case of time-based equity-based Incentive Compensation, a recoupment may occur, in the Committee's sole discretion, if the Committee concludes that the Incentive Compensation grants, earning and/or vesting would not have been made, or would have been lower had they been based on the restated financial statements and it is possible to clearly compute the amount of such lesser award. Any decision by the Committee that no recoupment shall occur because of difficulties of computation shall not be reviewable. The amount of the Incentive Compensation to be recouped shall be determined by the Committee in its sole and absolute discretion and calculated on a pre-tax basis, and the form of such recoupment of Incentive Compensation may be made, in the Committee's sole and absolute discretion, through the forfeiture or cancellation of vested or unvested Awards, cash repayment or both. For purposes of this Section 13(n), the Company is deemed to be required to prepare a Covered Accounting Restatement on the earlier of: (A) the date upon which the Board or an applicable committee thereof, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare a Covered Accounting Restatement; or (B) the date a court, regulator, or other legally authorized body directs the Company to prepare a Covered Accounting Restatement.

(ii) Notwithstanding any other provisions in this Plan, any Award or any other compensation received by a Participant which is subject to recovery under any Applicable Laws, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or stock exchange listing requirement), will be subject to such deductions and clawback as may be required to be made pursuant to such applicable law, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or stock exchange listing requirement on or following the Effective Date).

Section 14. Execution

To record the approval of this Plan by the Board, the Company has caused its duly authorized officer to execute this Plan on behalf of the Company.

Notice of Stock Option Award Granted Under the
LendingTree, Inc. 2023 Inducement Grant Plan

<u>Important Note</u>: You must login to your account to obtain other important information concerning this Award, such as a copy of the LendingTree, Inc. 2023 Inducement Grant Plan (the "2023 Inducement Plan") and the Terms and Conditions for Stock Option Awards (the "Terms and Conditions"). You acknowledge that you have received copies of the 2023 Inducement Plan and the 2023 Inducement Plan's prospectus.

Award Recipient:	
Stock Option Award:	Under the 2023 Inducement Plan: You have been awarded a nonqualified option to acquire Shares of LendingTree common stock at an "Exercise Price" of per Share ("Stock Option");
Award Date:	
Vesting Schedule:	Subject to your continued employment with LendingTree or its Subsidiaries or Affiliates, your Stock Option shall, subject to the provisions of the 2023 Inducement Plan and the Terms and Conditions, vest and no longer be subject to any restriction as of the vesting dates, as set forth below:

Vest Date	**Shares Vesting**

Expiration Date:	Once vested, your Stock Option will expire upon the earlier of (i) the expiration of the 12-month period following your Termination of Employment for any reason other than due to death, Disability or Retirement, (ii) the expiration of the one-year period following your Termination of Employment due to death, Disability or Retirement or (iii) 10 years from your Award Date (the "Expiration Date"), except as otherwise provided in the 2023 Inducement 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 2023 Inducement Plan, the Terms and Conditions and any Individual Agreement between you and LendingTree, 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:	Capitalized terms used (but not defined) in this Award Notice shall have the meanings set forth in the 2023 Inducement Plan. Your Stock Option is subject to the Terms and Conditions attached hereto and the 2023 Inducement Plan. Copies of these documents are also available upon request from the 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" or the "Company") pursuant to Section 5 of the LendingTree, Inc. 2023 Inducement Grant Plan (the "2023 Inducement Plan"). You were notified of your Award by way of an award notice (the "Award Notice"). All capitalized terms used herein, to the extent not defined, shall have the meaning as set forth in the 2023 Inducement Plan. This Award constitutes a grant made to qualify as an inducement award pursuant to NASDAQ Listing Rule 5635(c)(4).

Continuous Service

In order for the Award to vest, you must be continuously employed by LendingTree or any of its Subsidiaries or Affiliates during the Restriction Period (as defined below) or as otherwise provided in the Vesting section below. Nothing in your Award Notice, these Terms and Conditions, or the 2023 Inducement Plan shall confer upon you any right to continue in the employ or service of LendingTree 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

Subject to the Award Notice, these Terms and Conditions and the 2023 Inducement Plan, the Award shall vest and no longer be subject to satisfaction of any restriction as set forth in the Vesting Schedule section of the Award Notice. The period during which such restrictions apply is the "Restriction Period."

The vesting of your Award is conditioned upon your continuous employment with LendingTree or its Subsidiaries or Affiliates through each respective vesting date.

Notwithstanding the foregoing, 100% of your then-outstanding and unvested portion of your Award shall vest upon the occurrence of a Change in Control which occurs during your employment with LendingTree (or any Subsidiary or Affiliate). The term "Change in Control" is defined in the 2023 Inducement Plan, and includes certain events affecting LendingTree (not events only affecting specific businesses of LendingTree).Termination of Employment

Upon your Termination of Employment with LendingTree or any of its Subsidiaries or Affiliates during the Restriction Period for any reason, any unvested portion of this Award shall be forfeited and canceled in its entirety without consideration effective immediately upon such Termination of Employment. The then vested portion of this Stock Option may remain exercisable after your Termination of Employment to the extent permitted under section 5(i) of the 2023 Inducement Plan.

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 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 section 5(g) of the 2023 Inducement Plan. 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 sections 5(g)(i), 5(g)(ii), or 5(g)(iii) of the 2023 Inducement Plan.

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 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 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'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, or make arrangements satisfactory to LendingTree 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 section 13(d) of the 2023 Inducement Plan.

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 section 5(j) of the 2023 Inducement Plan.

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 declares and pays dividends on the Common Stock during the Restriction Period, this Award will not be credited with any dividends.

Restrictive Covenants

Your acceptance of your Stock Option shall be conditioned upon, and subject to, the execution of separate restrictive covenant agreement in a form to be provided by the Company at the time of the Award Date.

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 2023 Inducement Plan, the 2023 Inducement Plan shall control; provided, that an action or provision that is permissive under the terms of the 2023 Inducement 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 2023 Inducement Plan shall govern. In the event of (i) any conflict between the Award Notice (or any information posted on LendingTree's intranet or given to you directly or indirectly through the Agent (including information posted on https://us.etrade.com/stock-plans)) and LendingTree's books and records, or (ii) ambiguity in the Award Notice (or any information posted on LendingTree's intranet or given to you directly or indirectly through the Agent (including information posted on https://us.etrade.com/stock-plans), LendingTree's books and records shall control.

Amendment

LendingTree 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 or any of its Subsidiaries or Affiliates and to the agent selected by LendingTree to administer the 2023 Inducement Plan (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 2023 Inducement 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 2023 Inducement 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, 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 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's intranet or communicated (either directly by LendingTree 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.

Notice of Restricted Stock Unit Award Granted Under the
LendingTree, Inc. 2023 Inducement Grant Plan

Important Note: You must login to your account to obtain other important information concerning this Award, such as a copy of the LendingTree, Inc. 2023 Inducement Grant Plan (the "2023 Inducement Plan") and the Terms and Conditions for Restricted Stock Unit Awards (the "Terms and Conditions"). You acknowledge that you have received copies of the 2023 Inducement Plan and the 2023 Inducement Plan's prospectus.

Award Recipient:	
Restricted Stock Unit Award:	Restricted stock units ("RSUs") granted under the 2023 Inducement Plan.
Award Date:	
Vesting Schedule:	Subject to your continuous employment with LendingTree, Inc. or its Subsidiaries or Affiliates, your RSUs shall, subject to the provisions of the 2023 Inducement Plan and the Terms and Conditions, vest and no longer be subject to any restriction as of the vesting dates and the achievement of any applicable performance goals, as set forth below: Vest Date RSUs Vesting Each tranche of RSUs vesting on an applicable vest date shall be referred to as a "Tranche" and each such vest date shall be referred to as "Vest Date".
Impact of a Termination of Employment:	Except as otherwise provided in the 2023 Inducement Plan or in the Terms and Conditions, or any Individual Agreement, all of your unvested RSUs will be forfeited and canceled without consideration in their entirety upon a Termination of Employment.
Terms and Conditions:	Capitalized terms used (but not defined) in this Award Notice shall have the meanings set forth in the 2023 Inducement Plan. Your RSUs are subject to the Terms and Conditions and the 2023 Inducement Plan. We strongly encourage you to review the Terms and Conditions and the 2023 Inducement Plan. These documents will help provide you with a full understanding of your RSU award.

Terms and Conditions for Restricted Stock Unit Award

Overview

These Terms and Conditions apply to the restricted stock units (the "Award") awarded to you by LendingTree, Inc. ("LendingTree" or the "Company") pursuant to Section 7 of the LendingTree, Inc. 2023 Stock Plan (the "2023 Inducement Plan"). You were notified of your Award by way of an award notice (the "Award Notice"). All capitalized terms used herein, to the extent not defined, shall have the meaning as set forth in the 2023 Inducement Plan. This Award constitutes a grant made to qualify as an inducement award pursuant to NASDAQ Listing Rule 5635(c)(4).

Continuous Service

Except as provided below, in order for RSUs to vest, you must be continuously employed by LendingTree or any of its Subsidiaries or Affiliates during the Restriction Period (as defined below) or as otherwise provided in the Vesting section below. Nothing in your Award Notice, these Terms and Conditions, or the 2023 Inducement Plan shall confer upon you any right to continue in the employ or service of LendingTree 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

Subject to the Award Notice, these Terms and Conditions and the 2023 Inducement Plan, the RSUs in respect to your Award, shall vest and no longer be subject to satisfaction of any restriction, including any applicable performance conditions, as set forth in the Vesting Schedule section of the Award Notice. The period during which restrictions apply is the "Restriction Period."

The vesting of your Award is conditioned upon your continuous employment with LendingTree or its Subsidiaries or Affiliates through each respective Vest Date, except as provided below.

Notwithstanding the foregoing, 100% of your then-outstanding and unvested portion of your Award shall vest upon the occurrence of a Change in Control which occurs during your employment with LendingTree (or any Subsidiary or Affiliate). The term "Change in Control" is defined in the 2023 Inducement Plan, and includes certain events affecting LendingTree (not events only affecting specific businesses of LendingTree).

Notwithstanding the foregoing, in the event you experience a Termination of Employment due to your death or Disability, then 100% of your then-outstanding and unvested portion of your Award shall vest upon such Termination of Employment.

Notwithstanding the foregoing, in the event you experience a Retirement (as defined in the Plan) then you shall vest in the next Tranche of RSUs on the next scheduled Vest Date, that you would have vested in as though your Termination of Employment had occurred on such Vest Date, provided that you, after your Termination of Employment, (i) remain subject to and comply with all restrictive covenants set forth in your Restrictive Covenant Agreement (defined below), and (ii) shall not, directly or indirectly, including through another person, either for you or for any other person, own any interest in, manage, control, participate in, consult with, render services for, permit your name to be used in or in any other manner engage in, any for profit activities (including as an employee, partner, consultant, equityholder or otherwise), in each case of clause (i) and (ii), until such next Vest Date. Notwithstanding the foregoing, section (ii) of the immediately preceding sentence shall not prevent you from (X) serving on the boards of directors of non-profit organizations, (Y) participating in charitable, civic, educational, professional, community or industry activities, or (Z) managing your passive personal or family investments.

Termination of Employment

Upon your Termination of Employment with LendingTree or any of its Subsidiaries or Affiliates during the Restriction Period for any reason, any unvested portion of this RSU Award shall be forfeited and canceled in its entirety without consideration effective immediately upon such Termination of Employment.

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.

Settlement

Subject to your satisfaction of the tax obligations described immediately below under "Taxes and Withholding," as soon as practicable after any RSUs in respect of your Award have vested and are no longer subject to the restrictions that apply during the Restriction Period (but in no event later than two and one-half months after the end of the fiscal year in which the RSUs vest), such RSUs shall be settled. For each RSU settled, LendingTree shall issue one Share (or cash equivalent) for each RSU that has vested. Notwithstanding the foregoing, LendingTree shall be entitled to hold the Shares or cash issuable to you upon settlement of all RSUs that have vested until LendingTree or the agent selected by LendingTree to administer the 2023 Inducement Plan (the "Agent") has received from you (i) a duly executed Form W-9 or W-8 and (ii) payment for any federal, state, local or foreign taxes of any kind required by law to be withheld with respect to such RSUs.

Taxes and Withholding

No later than the date as of which an amount in respect of any RSUs first becomes includable in your gross income for federal, state, local or foreign income or employment or other tax purposes, LendingTree 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 issued upon settlement of the RSUs 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's withholding obligation on the date of settlement. 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 RSUs, be required to pay to LendingTree, or make arrangements satisfactory to LendingTree 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.

Non-Transferability of the RSUs

Until such time as your RSUs are ultimately settled, they shall not be transferable by you by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise.

No Rights as a Stockholder

Except as otherwise specifically provided in the 2023 Inducement Plan, unless and until your RSUs are settled with Shares, you shall not be entitled to any rights of a stockholder with respect to the RSUs (including the right to vote the underlying Shares or receive dividends). Notwithstanding the foregoing, if LendingTree declares and pays dividends on the Common

Stock during the Restriction Period for particular RSUs in respect of your Award, you will be credited with additional amounts for each RSU underlying such Award equal to the dividend that would have been paid with respect to such RSU as if it had been an actual share of Common Stock, which amount shall remain subject to restrictions (and as determined by the Committee may be reinvested in RSUs or may be held in kind as restricted property) and shall vest concurrently with the vesting of the RSUs upon which such dividend equivalent amounts were paid (and shall be settled at the same time as the underlying RSUs and also subject to satisfaction of tax withholding).

Restrictive Covenants

Your acceptance of your RSUs shall be conditioned upon, and subject to, the execution of a separate restrictive covenant agreement in a form to be provided by the Company at the time of the Award Date (the "Restrictive Covenant Agreement").

Other Restrictions

The RSUs 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 of RSUs 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 2023 Inducement Plan, the 2023 Inducement Plan shall control; provided, that an action or provision that is permissive under the terms of the 2023 Inducement 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 2023 Inducement Plan shall govern. In the event of (i) any conflict between the Award Notice (or any information posted on LendingTree's intranet or given to you directly or indirectly through the Agent (including information posted on https://us.etrade.com/stock-plans)) and LendingTree's books and records, or (ii) ambiguity in the Award Notice (or any information posted on LendingTree's intranet or given to you directly or indirectly through the Agent (including information posted on https://us.etrade.com/stock-plans)), LendingTree's books and records shall control.

Amendment

LendingTree may modify, amend or waive the terms of your RSUs, 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 RSUs constitutes your authorization of the release from time to time to LendingTree 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 RSUs and/or the 2023 Inducement 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 RSUs and/or the 2023 Inducement Plan and/or to implement or structure any further grants of equity awards (if any)). The acceptance of your RSUs also constitutes your authorization of the transfer of the Relevant Information to any jurisdiction in which LendingTree, 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 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's intranet or communicated (either directly by LendingTree 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 31.1

CERTIFICATION

I, Douglas R. Lebda, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended June 30, 2023 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: July 27, 2023

/s/ Douglas R. Lebda

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

Exhibit 31.2

CERTIFICATION

I, Trent Ziegler, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended June 30, 2023 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: July 27, 2023

/s/ Trent Ziegler

Trent Ziegler
Chief Financial Officer
(principal financial officer)

Exhibit 32.1

**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 June 30, 2023 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: July 27, 2023

/s/ Douglas R. Lebda

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

Exhibit 32.2

**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, Trent Ziegler, 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 June 30, 2023 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: July 27, 2023

/s/ Trent Ziegler

Trent Ziegler
Chief Financial Officer
(principal financial officer)