

# LendingClub, Alibaba ink deal on financing

February 3 2015

---

US startup LendingClub, a leader in so-called peer-to-peer lending, announced a partnership Tuesday with China's Alibaba to be a source of credit for purchases at the online retailer.

Under terms of the deal, LendingClub will be "the exclusive solution for point of sale business financing for up to \$300,000" for Alibaba's US business buyers.

US small businesses will be able to borrow using a streamlined process at interest rates starting at 0.5 percent.

The arrangement will offer the credit to US businesses purchasing goods from China-based suppliers on Alibaba.com.

"We share Alibaba.com's commitment to enabling frictionless global ecommerce by US small businesses," said Lending Club founder and chief executive Renaud Laplanche.

"We believe that access to affordable credit through Alibaba.com and the Lending Club platform can become a competitive advantage for [small businesses](#) across America."

Lending Club, which facilitates loans between borrowers and investors, made a successful Wall Street debut in December. Its market value is now some \$7.2 billion.

Founded in 2007 and led by Frenchman Laplanche, 44, LendingClub

arranges peer-to-peer [credit](#) deals, matching investors with borrowers under its computerized framework rather than providing loans itself.

The business generated loans worth more than \$4 billion in the first nine months of 2014. Board members include former US Treasury Secretary Lawrence Summers and former Morgan Stanley chief executive John Mack.

© 2015 AFP

Citation: LendingClub, Alibaba ink deal on financing (2015, February 3) retrieved 23 June 2024 from <https://phys.org/news/2015-02-lendingclub-alibaba-ink.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.