For Immediate Release
Media Contact: Kriss Bivens Cloyd
(208) 334-4119

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Attorney General Reaches Settlement in Proposed Merger of Springleaf and OneMain

(Boise) – Attorney General Lawrence Wasden says Idaho, along with six other states and the federal government, has resolved antitrust concerns with a proposed merger between two financial services companies.

The settlement announced today focuses on the proposed merger between Springleaf Holdings Inc., and OneMain Financial Holdings, LLC, companies that provide loans, credit services and other financial products to consumers nationwide.

The agreement requires Springleaf and OneMain to take several steps to comply with state and federal antitrust laws, including divesting from four branches in Idaho, Wasden said. The Idaho branches subject to divestiture are located in Boise, Twin Falls, Pocatello and Coeur d’Alene.

“Requiring these companies to sell these stores to another company ensures Idaho’s marketplace will remain competitive,” Wasden said. “I’m pleased that Springleaf and OneMain recognized the importance of a fair marketplace and have agreed to a series of conditions.”

The combination of the two companies is potentially significant for the industry and involves more than 2.5 million customers and 2,000 branches nationwide, which could make Springleaf-OneMain the nation’s largest subprime lender.

The agreement also requires Springleaf and OneMain to:

- Waive all non-competition agreements with employees so that the company that buys the divested branches can make employment offers to existing employees;
- Preserve all existing relationships with loan customers; and
- Supply back office and technical support to the acquiring company for at least six months.

The companies have also agreed to pay $15,000 to the Idaho Attorney General to cover investigation and attorney costs.

The U.S. District Court for the District of Columbia will hold a comment period of at least 60 days on the proposed settlement. After the comment period, the court will determine whether the agreement is in the public’s interest.
“What this settlement really does is gives another company the opportunity to enter the marketplace and alleviate any competitive concerns that would be created by the merger of Springleaf and OneMain,” Wasden said.

The other states joining in this settlement are Colorado, Pennsylvania, Texas, Virginia, Washington and West Virginia.

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