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Cash and cash equivalents

\$
431,409

\$
—

\$
—

\$
431,409

\$
431,409

Investment securities

—

558,473

23,617

582,090

582,090

Net finance receivables, less allowance for finance receivable losses

—

—

13,774,701

13,774,701

13,424,988

Restricted cash and cash equivalents

536,005

—

—

536,005

536,005

Other assets:

Commercial mortgage loans

—

—

94,681

94,681

102,200

Escrow advance receivable

—

—

23,527

23,527

23,527

Liabilities

Long-term debt

\$

—

\$

13,914,644

\$
—

\$
13,914,644

\$
12,769,036

FAIR VALUE MEASUREMENTS — RECURRING BASIS

The following table presents information about our assets and liabilities measured at fair value on a recurring basis and indicates the fair value hierarchy based on the levels of inputs we utilized to determine such fair value:

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Notes to Consolidated Financial Statements, Continued

(dollars in thousands)	Fair Value Measurements Using			Total Carried At Fair Value
	Level 1	Level 2	Level 3	
December 31, 2014				
Assets				
Cash equivalents in mutual funds	\$236,495	\$—	\$—	\$236,495
Cash equivalents in certificates of deposit and commercial paper	—	164,709	—	164,709
Investment securities:				
Available-for-sale securities:				
Bonds:				
U.S. government and government sponsored entities	—	63,331	—	63,331
Obligations of states, municipalities, and political subdivisions	—	101,683	—	101,683
Certificates of deposit and commercial paper	—	2,525	—	2,525
Corporate debt	—	263,112	4,078	267,190
RMBS	—	73,435	56	73,491
CMBS	—	22,087	2,501	24,588
CDO/ABS	—	62,705	—	62,705
Total	—	588,878	6,635	595,513
Preferred stock	—	7,094	—	7,094
Other long-term investments (a)	—	—	1,343	1,343
Total available-for-sale securities (b)	—	595,972	7,978	603,950
Trading securities:				
Bonds:				
U.S. government and government sponsored entities	—	303,283	—	303,283
Obligations of states, municipalities, and political subdivisions	—	14,378	—	14,378
Certificates of deposit and commercial paper	—	237,637	—	237,637
Non-U.S. government and government sponsored entities	—	19,613	—	19,613
Corporate debt	—	1,056,032	—	1,056,032
RMBS	—	35,842	163	36,005
CMBS	—	151,291	—	151,291
CDO/ABS	—	511,402	—	511,402
Total trading securities	—	2,329,478	163	2,329,641
Total investment securities	—	2,925,450	8,141	2,933,591
Restricted cash in mutual funds	206,691	—	—	206,691
Total	\$443,186	\$3,090,159	\$8,141	\$3,541,486
December 31, 2013				
Assets				
Cash equivalents in mutual funds	\$216,310	\$—	\$—	\$216,310
Investment securities:				
Available-for-sale securities:				

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Bonds:				
U.S. government and government sponsored entities	—	59,684	—	59,684
Obligations of states, municipalities, and political subdivisions	—	103,536	—	103,536
Corporate debt	—	239,141	12,604	251,745
RMBS	—	83,665	113	83,778
CMBS	—	10,974	2	10,976
CDO/ABS	—	9,397	800	10,197
Total	—	506,397	13,519	519,916
Preferred stock	—	7,805	—	7,805
Other long-term investments (a)	—	—	1,269	1,269
Total available-for-sale securities (b)	—	514,202	14,788	528,990
Trading securities:				
Bonds:				
Corporate debt	—	1,837	—	1,837
RMBS	—	10,671	—	10,671
CMBS	—	29,897	—	29,897
CDO/ABS	—	1,866	7,383	9,249
Total trading securities	—	44,271	7,383	51,654
Total investment securities	—	558,473	22,171	580,644
Restricted cash in mutual funds	493,297	—	—	493,297
Total	\$709,607	\$558,473	\$22,171	\$1,290,251
Liabilities				
Long-term debt	\$—	\$363,677	\$—	\$363,677

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Notes to Consolidated Financial Statements, Continued

(a) Other long-term investments excludes our interest in a limited partnership of \$0.5 million at December 31, 2014 and \$0.6 million at December 31, 2013 that we account for using the equity method.

(b) Common stocks not carried at fair value totaled \$0.7 million at December 31, 2014 and \$0.9 million at December 31, 2013 and, therefore, have been excluded from the table above.

We had no transfers between Level 1 and Level 2 during 2014.

The following table presents changes during 2014 in Level 3 assets and liabilities measured at fair value on a recurring basis:

(dollars in thousands)	Balance at beginning of period	Net gains (losses) included in:		Purchases, sales, issues, settlements (a)	Transfers into Level 3 (b)	Transfers out of Level 3 (c)	Balance at end of period
		Other revenues	Other comprehensive income (loss)				
Year Ended							
December 31, 2014							
Investment securities:							
Available-for-sale securities:							
Bonds:							
Corporate debt	\$12,604	\$151	\$(283)	) \$(8,394	) \$—	\$—	\$4,078
RMBS	113	(14)	(43)	) —	—	—	56
CMBS	2	—	13	—	2,486	—	2,501
CDO/ABS	800	—	3	—	—	(803)	—
Total	13,519	137	(310)	) (8,394	) 2,486	(803)	) 6,635
Other long-term investments	1,269	—	164	(90)	) —	—	1,343
Total available-for-sale securities	14,788	137	(146)	) (8,484	) 2,486	(803)	) 7,978
Trading securities:							
Bonds:							
RMBS	—	(80)	(96)	) (106	) 1,602	(1,157)	) 163
CDO/ABS	7,383	141	—	(6,586)	) —	(938)) —
Total trading securities	7,383	61	(96)	) (6,692	) 1,602	(2,095)	) 163
Total	\$22,171	\$198	\$(242)	) \$(15,176	) \$4,088	\$(2,898)	) \$8,141

(a) The detail of purchases, sales, issues, and settlements during 2014 is presented in the following table.

(b) During 2014, we transferred \$2.5 million of CMBS available-for-sale securities and \$1.6 million of RMBS trading securities into Level 3 primarily related to the re-evaluated observability of pricing inputs.

(c)

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During 2014, we transferred \$0.8 million of CDO/ABS available-for-sale securities, \$1.2 million of RMBS trading securities, and \$0.9 million of CDO/ABS trading securities out of Level 3 primarily related to the re-evaluated observability of pricing inputs.

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Notes to Consolidated Financial Statements, Continued

The following table presents the detail of purchases, sales, issuances, and settlements of Level 3 assets and liabilities measured at fair value on a recurring basis during 2014:

(dollars in thousands)	Purchases	Sales	Issues	Settlements	Total
Year Ended December 31, 2014					
Investment securities:					
Available-for-sale securities:					
Bonds:					
Corporate debt	\$—	\$—	\$—	\$(8,394)	\$(8,394)
Other long-term investments	—	—	—	(90)	(90)
Total available-for-sale securities	—	—	—	(8,484)	(8,484)
Trading securities:					
Bonds:					
RMBS	—	—	—	(106)	(106)
CDO/ABS	135	—	—	(6,721)	(6,586)
Total trading securities	135	—	—	(6,827)	(6,692)
Total	\$135	\$—	\$—	\$(15,311)	\$(15,176)

The following table presents changes during 2013 in Level 3 assets and liabilities measured at fair value on a recurring basis:

(dollars in thousands)	Balance at beginning of period	Net gains (losses) included in:		Purchases, sales, issues, settlements*	Transfers into Level 3	Transfers out of Level 3	Balance at end of period
		Other revenues	Other comprehensive income (loss)				
Year Ended December 31, 2013							
Investment securities:							
Available-for-sale securities:							
Bonds:							
Corporate debt	\$13,417	\$(180)	\$475	\$(101)	\$—	\$(1,007)	\$12,604
RMBS	74	(35)	74	—	—	—	113
CMBS	1,767	(5)	1	(1,761)	—	—	2
CDO/ABS	2,834	8	(9)	(2,033)	—	—	800
Total	18,092	(212)	541	(3,895)	—	(1,007)	13,519
Other long-term investments	1,380	2	(102)	(11)	—	—	1,269
Total available-for-sale securities	19,472	(210)	439	(3,906)	—	(1,007)	14,788
Trading securities:							
Bonds:							

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CDO/ABS	12,192	53	—	(4,862) —	—	7,383
Total	\$31,664	\$(157) \$439	\$(8,768) \$—	\$(1,007) \$22,171

*The detail of purchases, sales, issues, and settlements during 2013 is presented in the following table.

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Notes to Consolidated Financial Statements, Continued

The following table presents the detail of purchases, sales, issuances, and settlements of Level 3 assets and liabilities measured at fair value on a recurring basis during 2013:

(dollars in thousands)	Purchases	Sales	Issues	Settlements	Total
Year Ended December 31, 2013					
Investment securities:					
Available-for-sale securities:					
Bonds:					
Corporate debt	\$2,016	\$(1,035)	) \$—	\$(1,082)	) \$(101)
CMBS	—	(1,453)	) —	(308)	) (1,761)
CDO/ABS	—	(1,633)	) —	(400)	) (2,033)
Total	2,016	(4,121)	) —	(1,790)	) (3,895)
Other long-term investments	—	—	—	(11)	) (11)
Total available-for-sale securities	2,016	(4,121)	) —	(1,801)	) (3,906)
Trading securities:					
Bonds:					
CDO/ABS	—	—	—	(4,862)	) (4,862)
Total	\$2,016	\$(4,121)	) \$—	\$(6,663)	) \$(8,768)

During 2013, we transferred a \$1.0 million available-for-sale corporate debt security out of Level 3 primarily due to greater pricing transparency.

We used observable and/or unobservable inputs to determine the fair value of positions that we have classified within the Level 3 category. As a result, the unrealized gains and losses for assets and liabilities within the Level 3 category presented in the Level 3 tables above may include changes in fair value that were attributable to both observable (e.g., changes in market interest rates) and unobservable (e.g., changes in unobservable long-dated volatilities) inputs.

The unobservable inputs and quantitative data used in our Level 3 valuations for our investment securities were developed and used in models created by our third-party valuation service providers, which values were used by us for fair value disclosure purposes without adjustment. We applied the third-party exception which allows us to omit certain quantitative disclosures about unobservable inputs for other long-term investments. As a result, the weighted average ranges of the inputs for these investment securities are not applicable in the following table.

Quantitative information about Level 3 inputs for our assets measured at fair value on a recurring basis for which information about the unobservable inputs is reasonably available to us at December 31, 2014 and 2013 is as follows:

	Valuation Technique(s)	Unobservable Input	Range (Weighted Average)	
			December 31, 2014	December 31, 2013
Corporate debt	Discounted cash flows	Yield	1.05% (a)	2.68% – 8.48% (4.67%)
RMBS	Discounted cash flows	Spread	139 bps (a)	—
CMBS	Discounted cash flows	Spread	736 bps (a)	—
Other long-term investments	Discounted cash flows and indicative valuations	Historical costs Nature of investment Local market	N/A (b)	N/A (b)

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conditions
Comparables
Operating
performance Recent
financing activity

(a) At December 31, 2014, corporate debt, RMBS, and CMBS each consisted of one bond.

(b) Not applicable.

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Notes to Consolidated Financial Statements, Continued

The fair values of the assets using significant unobservable inputs are sensitive and can be impacted by significant increases or decreases in any of those inputs. Level 3 broker-priced instruments, including RMBS (except for the one bond previously noted), CMBS (except for the one bond previously noted), and CDO/ABS, are excluded from the table above because the unobservable inputs are not reasonably available to us.

Our RMBS, CMBS, and CDO/ABS securities have unobservable inputs that are reliant on and sensitive to the quality of their underlying collateral. The inputs, although not identical, have similar characteristics and interrelationships. Generally a change in the assumption used for the probability of default is accompanied by a directionally similar change in the assumption used for the loss severity and a directionally opposite change in the assumption used for prepayment speeds. An improvement in the workout criteria related to the restructured debt and/or debt covenants of the underlying collateral may lead to an improvement in the cash flows and have an inverse impact on other inputs, specifically a reduction in the amount of discount applied for marketability and liquidity, making the structured bonds more attractive to market participants.

FAIR VALUE MEASUREMENTS — NON-RECURRING BASIS

We measure the fair value of certain assets on a non-recurring basis when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

Assets measured at fair value on a non-recurring basis on which we recorded impairment charges were as follows:

(dollars in thousands)	Fair Value Measurements Using			Total	Impairment Charges
	Level 1	Level 2	Level 3		
At or for the Year Ended December 31, 2014					
Assets					
Real estate owned	\$—	\$—	\$19,446	\$19,446	\$15,439
Commercial mortgage loans	—	—	10,796	10,796	(1,828)
Total	\$—	\$—	\$30,242	\$30,242	\$13,611

At or for the Year Ended
December 31, 2013

Assets					
Real estate owned	\$—	\$—	\$72,242	\$72,242	\$25,440
Commercial mortgage loans	—	—	11,935	11,935	(2,010)
Total	\$—	\$—	\$84,177	\$84,177	\$23,430

In accordance with the authoritative guidance for the accounting for the impairment of long-lived assets, we wrote down certain real estate owned reported in our Real Estate segment to their fair value less cost to sell during 2014 and 2013 and recorded the writedowns in other revenues — other. The fair values of real estate owned disclosed in the table above are unadjusted for transaction costs as required by the authoritative guidance for fair value measurements. The amounts of real estate owned recorded in other assets are net of transaction costs as required by the authoritative guidance for accounting for the impairment of long-lived assets.

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In accordance with the authoritative guidance for the accounting for the impairment of commercial mortgage loans, we recorded allowance adjustments on certain impaired commercial mortgage loans reported in our Consumer and Insurance segment to record their fair value during 2014 and 2013 and recorded the net impairments in investment revenues.

The unobservable inputs and quantitative data used in our Level 3 valuations for our real estate owned and commercial mortgage loans were developed and used in models created by our third-party valuation service providers or valuations provided by external parties, which values were used by us for fair value disclosure purposes without adjustment. We applied the third-party exception which allows us to omit certain quantitative disclosures about unobservable inputs. As a result, the weighted average ranges of the inputs are not applicable in the following table.

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Notes to Consolidated Financial Statements, Continued

Quantitative information about Level 3 inputs for our assets measured at fair value on a non-recurring basis at December 31, 2014 and 2013 is as follows:

	Valuation Technique(s)	Unobservable Input	Range (Weighted Average)	
			December 31, 2014	December 31, 2013
Real estate owned	Market approach	Third-party valuation	N/A *	N/A *
		Local market conditions		
Commercial mortgage loans	Market approach	Nature of investment Comparable property sales Operating performance	N/A *	N/A *

*Not applicable.

FAIR VALUE MEASUREMENTS — VALUATION METHODOLOGIES AND ASSUMPTIONS

We use the following methods and assumptions to estimate fair value.

Cash and Cash Equivalents

The carrying amount of cash and cash equivalents, including cash and cash equivalents in certificates of deposit and commercial paper, approximates fair value.

Mutual Funds

The fair value of mutual funds is based on quoted market prices of the underlying shares held in the mutual funds.

Investment Securities

We utilize third-party valuation service providers to measure the fair value of our investment securities, which are classified as available-for-sale or as trading and consist primarily of bonds. Whenever available, we obtain quoted prices in active markets for identical assets at the balance sheet date to measure investment securities at fair value. We generally obtain market price data from exchange or dealer markets.

We estimate the fair value of fixed maturity investment securities not traded in active markets by referring to traded securities with similar attributes, using dealer quotations and a matrix pricing methodology, or discounted cash flow analyses. This methodology considers such factors as the issuer's industry, the security's rating and tenor, its coupon rate, its position in the capital structure of the issuer, yield curves, credit curves, composite ratings, bid-ask spreads, prepayment rates and other relevant factors. For fixed maturity investment securities that are not traded in active markets or that are subject to transfer restrictions, we adjust the valuations to reflect illiquidity and/or non-transferability. Such adjustments are generally based on available market evidence. In the absence of such evidence, management's best estimate is used.

We classify investment securities that are deemed to incorporate an embedded derivative and for which it is impracticable for us to isolate and/or value as trading securities at fair value.

The carrying amount of certificates of deposit and commercial paper having maturity dates greater than three months approximates fair value.

Finance Receivables

The fair value of net finance receivables, less allowance for finance receivable losses, both non-impaired and purchased credit impaired, are determined using discounted cash flow methodologies. The application of these methodologies requires us to make certain judgments and estimates based on our perception of market participant views related to the economic and competitive environment, the characteristics of our finance receivables, and other similar factors. The most significant judgments and estimates made relate to prepayment speeds, default rates, loss severity, and discount rates. The degree of judgment and estimation applied is significant in light of the current capital markets and, more broadly, economic environments. Therefore, the fair value of our finance receivables could not be determined with precision and may not be realized in an actual sale. Additionally, there may be inherent weaknesses in the valuation methodologies we employed, and changes in the underlying assumptions used could significantly affect the results of current or future values.

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Notes to Consolidated Financial Statements, Continued

Finance Receivables Held for Sale

We determined the fair value of finance receivables held for sale that were originated as held for investment based on negotiations with prospective purchasers (if any) or by using projected cash flows discounted at the weighted-average interest rates offered by us in the market for similar finance receivables. We based cash flows on contractual payment terms adjusted for estimates of prepayments and credit related losses.

Restricted Cash and Cash Equivalents

The carrying amount of restricted cash and cash equivalents approximates fair value.

Commercial Mortgage Loans

We utilize third-party valuation service providers to estimate the fair value of commercial mortgage loans using projected cash flows discounted at an appropriate rate based upon market conditions.

Real Estate Owned

We initially based our estimate of the fair value on independent third-party valuations at the time we took title to real estate owned. Subsequent changes in fair value are based upon independent third-party valuations obtained periodically to estimate a price that would be received in a then current transaction to sell the asset.

Escrow Advance Receivable

The carrying amount of escrow advance receivable approximates fair value.

Receivables Related to Sales of Real Estate Loans and Related Trust Assets

The carrying amount of receivables related to sales of real estate loans and related trust assets less estimated forfeitures, which are reflected in other liabilities, approximates fair value.

Long-term Debt

We either receive fair value measurements of our long-term debt from market participants and pricing services or we estimate the fair values of long-term debt using projected cash flows discounted at each balance sheet date's market-observable implicit-credit spread rates for our long-term debt and adjusted for foreign currency translations.

We record long-term debt issuances at fair value that are deemed to incorporate an embedded derivative and for which it is impracticable for us to isolate and/or value the derivative. At December 31, 2014, we had no debt carried at fair value under the fair value option.

24. Subsequent Events

PENDING ACQUISITION OF ONEMAIN FINANCIAL

On March 2, 2015, SHI entered into a Stock Purchase Agreement (the "Stock Purchase Agreement") with CitiFinancial Credit Company, a Delaware corporation (the "Seller") to acquire OneMain Financial Holdings, Inc. ("OneMain"), a

Delaware corporation, (the “Proposed Acquisition”). The Stock Purchase Agreement provides that, upon the terms and subject to the conditions set forth therein, SHI will purchase from the Seller all of the equity of OneMain for an aggregate purchase price of \$4.25 billion in cash, which amount will be adjusted up or down, as applicable, by the amount by which OneMain’s stockholder’s equity as of the closing exceeds or is less than, as applicable, \$1.94 billion.

The parties’ respective obligations to consummate the Proposed Acquisition are subject to customary closing conditions, including (i) the expiration or early termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended; (ii) receipt of all consents, authorizations or approvals of all state regulatory authorities governing consumer lending and insurance in various states in which OneMain or any of its subsidiaries operate; (iii) the accuracy of the other party’s representations and warranties as of the closing date; and (iv) compliance by the other party with

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Notes to Consolidated Financial Statements, Continued

its covenants and agreements contained in the Stock Purchase Agreement (in the case of (iii) and (iv), subject to customary materiality qualifiers). Under the Stock Purchase Agreement, we are required to take all action necessary to resolve any objection that antitrust enforcement authorities may assert with respect to the Proposed Acquisition, provided that we will not be required to commit or agree to divest, license or hold separate assets of the Company and/or OneMain that account for more than \$677 million in revenue of the Company and/or OneMain, as the case may be, for the twelve months ended December 31, 2014. If the Stock Purchase Agreement is terminated as a result of the failure to obtain antitrust approvals, we will be required to pay the Seller a termination fee of \$212.5 million. The Proposed Acquisition is expected to close in the third quarter of 2015, although there can be no assurance that the Proposed Acquisition will close or, if it does, when the actual closing will occur.

SECURITIZATIONS

Renewal of Sumner Brook 2013-VFN1 Securitization

On January 16, 2015, we amended the note purchase agreement with Sumner Brook 2013-VFN1 Trust to extend the two-year funding period to a three-year funding period. Following the three-year funding period, the principal amount of the notes, if any, will be reduced as cash payments are received on the underlying personal loans and will be due and payable in full in August 2024. The maximum principal balance of variable funding notes that can be issued remained at \$350 million. No amounts have been funded.

2015-A Securitization

On February 26, 2015, we completed a private securitization transaction in which a wholly owned special purpose vehicle of SFC sold \$1.2 billion of notes backed by personal loans held by Springleaf Funding Trust 2015-A (the "2015-A Trust"), at a 3.55% weighted average yield. We sold the asset-backed notes for \$1.2 billion, after the price discount but before expenses and a \$12.5 million interest reserve requirement.

Sale of SpringCastle 2014-A Notes

On March 9, 2015, SAC agreed to sell \$231.7 million and \$130.8 million principal amount of the Class C and Class D SpringCastle 2014-A Notes, respectively, to an unaffiliated third party at a premium to the principal balance. The sale is expected to be completed on March 16, 2015.

25. Selected Quarterly Financial Data (Unaudited)

Our selected quarterly financial data for 2014 was as follows:

(dollars in thousands except earnings per share)	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Interest income	\$413,267	\$483,124	\$532,750	\$552,637
Interest expense	157,159	180,142	191,301	205,420
Provision for finance receivable losses	94,951	102,971	115,347	160,878
Other revenues	(26,387)	) 685,966	91,343	81,404
Other expenses	172,873	189,960	170,013	168,593
Income (loss) before provision for (benefit from) income taxes	(38,103)) 696,017	147,432	99,150
Provision for (benefit from) income taxes	(12,548)) 234,322	44,754	30,518

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Net income (loss)	(25,555) 461,695	102,678	68,632
Net income attributable to non-controlling interests	21,272	34,945	30,289	16,308
Net income (loss) attributable to Springleaf Holdings, Inc.	\$(46,827) \$426,750	\$72,389	\$52,324
Earnings (loss) per share:				
Basic	\$(0.41) \$3.72	\$0.63	\$0.46
Diluted	(0.41) 3.70	0.63	0.45

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Notes to Consolidated Financial Statements, Continued

Our selected quarterly financial data for 2013 was as follows:

(dollars in thousands except earnings (loss) per share)	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Interest income	\$576,517	\$583,926	\$580,597	\$413,038
Interest expense	218,881	229,157	240,418	231,293
Provision for finance receivable losses	188,600	162,264	82,311	94,486
Other revenues	38,388	19,426	51,590	43,656
Other expenses	168,222	303,580	165,577	144,792
Income (loss) before provision for (benefit from) income taxes	39,202	(91,649)	143,881	(13,877)
Provision for (benefit from) income taxes	(14,187)	(30,698)	32,963	(4,263)
Net income (loss)	53,389	(60,951)	110,918	(9,614)
Net income attributable to non-controlling interests	26,660	31,643	54,740	—
Net income (loss) attributable to Springleaf Holdings, Inc.	\$26,729	\$(92,594)	\$56,178	\$(9,614)
Earnings (loss) per share:				
Basic	\$0.24	\$(0.93)	\$0.56	\$(0.10)
Diluted	0.24	(0.93)	0.56	(0.10)

26. Pro Forma Information (Unaudited)

The following unaudited pro forma information presents the combined results of operations of SHI and from the acquisitions of finance receivables and the London, Kentucky, loan servicing facility from HSBC (the "HSBC acquisitions") during 2013 as if the HSBC acquisitions had occurred on January 1, 2013. The pro forma information is not necessarily indicative of what the financial position or results of operations actually would have been had the HSBC acquisitions been completed on January 1, 2013. In addition, the unaudited pro forma financial information is not indicative of, nor does it purport to project, the future financial position or operating results of the HSBC acquisitions. The unaudited pro forma information assumes the full funding of the HSBC acquisitions including the issuance of the associated Class B Notes from our SpringCastle securitization as if they were issued as of January 1, 2013, the adjustment of historical finance charges for estimated impacts of accounting for credit impaired loans and the incorporation of accretion of pro forma purchase discount, and does not give effect to potential cost savings or other operating efficiencies that could result from the HSBC acquisitions.

The following table presents the unaudited pro forma financial information:

(dollars in thousands except earnings (loss) per share)	2013	2012
Years Ended December 31,		
Interest income	\$2,295,605	\$2,518,844
Net income (loss) attributable to Springleaf Holdings, Inc. *	(36,478)	(187,087)
Net income (loss) attributable to Springleaf Holdings, Inc. per weighted average share:		
Basic *	\$(0.35)	\$(1.87)
Diluted *	(0.35)	(1.87)

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During the fourth quarter of 2014, we discovered that we incorrectly disclosed the pro forma net income attributable to SHI and the related pro forma basic and diluted earnings per share for 2013. The pro forma net income (loss) attributable to SHI and the pro forma basic and diluted earnings per share attributable to SHI for 2013 were previously reported as \$9.1 million and \$0.09, respectively, and have been corrected in this table.

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We are committed to maintaining disclosure controls and procedures designed to ensure that information required to be disclosed in our periodic reports filed under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act. Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of December 31, 2014, due to the existence of a material weakness in our internal control over financial reporting described below under the heading “Management’s Report on Internal Control over Financial Reporting.”

Notwithstanding the existence of the material weakness discussed below, our management, including our Chief Executive Officer and our Chief Financial Officer, has concluded that the consolidated financial statements included in this Annual Report on Form 10-K fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented herein in conformity with U.S. GAAP.

Previously Identified Material Weakness and Its Remediation

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. As disclosed in our 2013 Annual Report on Form 10-K, our management concluded that we had a material weakness in our internal control over financial reporting as a result of ineffective controls over the initial and subsequent accounting for certain complex non-routine transactions, most notably relating to the impact of the Fortress Acquisition and the SpringCastle Portfolio acquisition.

To remediate this material weakness, we enhanced our complement of resources with accounting and internal control knowledge through additional hiring, sourcing and training and implemented and performed additional controls over the initial and subsequent accounting for certain complex non-routine transactions. After completing our testing of the design and operational effectiveness of these procedures, our management concluded that we have remediated the material weakness.

Management’s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) and 15d -15(f) of the Exchange Act, and has conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). Based on such evaluation, our management concluded that our internal control over financial reporting was not effective as of December 31, 2014, due to the material weakness described below. Management has reviewed the results of its assessment with the audit committee of our board of directors.

PricewaterhouseCoopers LLP, the independent registered public accounting firm that audited the 2014 financial statements included in this Annual Report on Form 10-K has issued an attestation report on the effectiveness of our internal control over financial reporting as of December 31, 2014. This report can be found in Item 8.

In 2014, management was unable to complete the process for assessing that certain spreadsheet and report controls operated effectively due to insufficient documentation demonstrating compliance with the control design. Such controls are designed to provide reasonable assurance to management as to the completeness and accuracy of inputs, assumptions and formulas included in certain spreadsheets and reports used in the preparation and analysis of accounting and financial information. For those controls for which the assessment was completed, no material errors were detected, and despite the noted control deficiency, no material audit adjustments were required to be made to our 2014 consolidated financial statements. However, if not corrected, the control deficiency could result in a material misstatement in our annual consolidated financial statements that

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would not be prevented or detected on a timely basis. Accordingly, we have determined that the control deficiency constitutes a material weakness.

Plan for Remediation of Material Weakness in Internal Control over Financial Reporting

We have taken and continue to take steps to remediate the underlying cause of the material weakness. These steps include strengthening our procedures and controls around validating the functionality of certain spreadsheets and reports used in the preparation and analysis of accounting and financial information, including developing specific guidelines for appropriate review procedures, such as validating inputs, assumptions and formulas, and providing additional training to our current accounting and finance personnel.

These actions are subject to ongoing review by our senior management, as well as oversight by the audit committee of our board of directors. We will place a high priority on the remediation process and are committed to allocating the necessary resources to the remediation effort immediately. To reduce the potential severity of the deficiency as soon as possible, we will focus our initial efforts on those spreadsheets and reports that present a higher risk of a misstatement. When fully implemented and operating effectively, our efforts are expected to remediate the material weakness. However, we cannot provide any assurance that these efforts will be successful or that they will cause our internal control over financial reporting to be effective.

Changes in Internal Control over Financial Reporting

Other than the actions described above under the heading “Previously Identified Material Weakness and Its Remediation,” there were no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2014, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

Adoption of the Springleaf Holdings, Inc. Executive Severance Plan

On March 13, 2015, the Company adopted the Springleaf Holdings, Inc. Executive Severance Plan (the “Severance Plan”), which became effective on March 16, 2015. The Compensation Committee is responsible for designating which officers of the Company are eligible to participate in the Severance Plan (the “Eligible Executives”). On March 13, 2015, the Compensation Committee identified the following named executive officers who will participate in the Severance Plan as Eligible Executives: John Anderson, Bradford Borchers, David Hogan, and Minchung (Macrina) Kgil.

The Severance Plan provides for severance payments and benefits to the Eligible Executives in the event of a “Qualifying Termination” (as defined below). In the event of a Qualifying Termination and subject to the Eligible Executive’s adherence to the covenants contained in the Severance Plan and execution of a severance agreement (including a general waiver and release of claims along with certain non-competition and intellectual property protections) substantially in the form attached as “Appendix A” to the Severance Plan, the Severance Plan provides for the following severance payments and benefits to the Eligible Executive: (1) continued payment of the Eligible Executive’s annual base salary for a period of twelve months; and (2) a lump sum cash payment in an amount equal to twelve months of premiums for COBRA continuation coverage for the Eligible Executive and his or her eligible dependents.

A Qualifying Termination is defined as a termination other than for “Cause” (as defined in the Severance Plan); provided that, if there has been a “Change in Control” (as defined in the Severance Plan), a Qualifying Termination

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includes both a termination for Cause and resignation for “Good Reason” (as defined in the Severance Plan) within twelve months after the Change in Control.

The foregoing description of the Severance Plan is not complete and is qualified in its entirety by reference to the full text of the Severance Plan, which is filed as Exhibit 10.17 to this Annual Report on Form 10-K and incorporated herein by reference.

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PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by Item 10 with respect to executive officers is incorporated by reference to the information presented under the caption “Executive Officers” in the Company’s definitive proxy statement for the 2015 Annual Meeting of Shareholders (the “Proxy Statement”), which will be filed with the SEC pursuant to Regulation 14A within 120 days of the Company’s fiscal year-end.

Information required by Item 10 for matters other than executive officers is incorporated by reference to the information presented under the captions “Board of Directors,” “Election of Directors,” “Corporate Governance” and “Section 16(a) Beneficial Ownership Reporting Compliance” in the Proxy Statement, which will be filed with the SEC pursuant to Regulation 14A within 120 days of the Company’s fiscal year-end.

Item 11. Executive Compensation.

The information required by Item 11 is incorporated by reference to the information presented under the captions “Committees of the Board of Directors,” “Executive Compensation,” and “Compensation Committee Report” in the Proxy Statement, which will be filed with the SEC pursuant to Regulation 14A within 120 days of the Company’s fiscal year-end.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by Item 12 is incorporated by reference to the information presented under the under the captions “Security Ownership of Certain Beneficial Owners and Management” and “Equity Compensation Plan Information” in the Proxy Statement, which will be filed with the SEC pursuant to Regulation 14A within 120 days of the Company’s fiscal year-end.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by Item 13 is incorporated by reference to the information presented under the captions “Certain Relationships and Related Party Transactions” and “Board of Directors” in the Proxy Statement, which will be filed with the SEC pursuant to Regulation 14A within 120 days of the Company’s fiscal year-end.

Item 14. Principal Accounting Fees and Services.

The information required by Item 14 is incorporated by reference to the information presented under the caption “Audit Function” in the Proxy Statement, which will be filed with the SEC pursuant to Regulation 14A within 120 days of the Company’s fiscal year-end.

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PART IV

Item 15. Exhibits and Financial Statement Schedules.

(1) The following consolidated financial statements of Springleaf Holdings, Inc. and subsidiaries are included in (a) Item 8:

Consolidated Balance Sheets, December 31, 2014 and 2013

Consolidated Statements of Operations, years ended December 31, 2014, 2013, and 2012

Consolidated Statements of Comprehensive Income (Loss), years ended December 31, 2014, 2013, and 2012

Consolidated Statements of Shareholders' Equity, years ended December 31, 2014, 2013, and 2012

Consolidated Statements of Cash Flows, years ended December 31, 2014, 2013, and 2012

Notes to Consolidated Financial Statements

(2) Financial Statement Schedules:

The financial statement schedules have been omitted because they are either not required or inapplicable.

(3) Exhibits:

Exhibits are listed in the Exhibit Index beginning on page 162 herein.

(b) Exhibits

The exhibits required to be included in this portion of Item 15 are submitted as a separate section of this report.

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Signatures

Pursuant to the requirements of Section 13 or 15(d) 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, on March 16, 2015.

SPRINGLEAF HOLDINGS, INC.

By: /s/ Minchung (Macrina) Kgil
Minchung (Macrina) Kgil
(Executive Vice President and Chief Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on March 16, 2015.

/s/ Jay N. Levine
Jay N. Levine
(President, Chief Executive Officer, and Director —
Principal Executive Officer)

/s/ Douglas L. Jacobs
Douglas L. Jacobs
(Director)

/s/ Minchung (Macrina) Kgil
Minchung (Macrina) Kgil
(Executive Vice President and Chief Financial Officer —
Principal Financial Officer)

/s/ Anahaita N. Kotval
Anahaita N. Kotval
(Director)

/s/ Sean P. Donnelly
Sean P. Donnelly
(Vice President and Senior Managing Director — Principal
Accounting Officer)

/s/ Ronald M. Lott
Ronald M. Lott
(Director)

/s/ Wesley R. Edens
Wesley R. Edens
(Chairman of the Board and Director)

/s/ Roy A. Guthrie
Roy A. Guthrie
(Director)

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Exhibit Index

Exhibit

- 2.1 Stock Purchase Agreement, dated as of March 2, 2015, by and between Springleaf Holdings, Inc. and CitiFinancial Credit Company (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on March 3, 2015).
- 3 a. Restated Certificate of Incorporation of Springleaf Holdings, Inc. Incorporated by reference to Exhibit (3.1) to our Quarterly Report on Form 10-Q for the period ended September 30, 2013.
- b. Amended and Restated Bylaws of Springleaf Holdings, Inc. Incorporated by reference to Exhibit (3.2) to our Quarterly Report on Form 10-Q for the period ended September 30, 2013.
- 4 a. The following instruments are filed pursuant to Item 601(b)(4)(ii) of Regulation S-K, which requires with certain exceptions that all instruments be filed which define the rights of holders of the Company's long-term debt and of our consolidated subsidiaries. In the aggregate, the outstanding issuances of debt at December 31, 2014 under the following Indenture exceeds 10% of the Company's total assets on a consolidated basis:
- (i) Indenture dated as of May 1, 1999 from Springleaf Finance Corporation (formerly American General Finance Corporation) to Wilmington Trust Company (successor trustee to Citibank, N.A.). Incorporated by reference to Exhibit (4)a.(1) to Springleaf Finance Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2000 (File No. 1-06155).
- (ii) Indenture dated as of October 3, 2014 from SpringCastle America Funding, LLC, SpringCastle Credit Funding, LLC, and SpringCastle Finance, LLC to Wilmington Trust Company. Incorporated by reference to Exhibit (10) to our Current Report on Form 8-K dated October 6, 2014.
- (iii) Indenture, dated as of December 3, 2014, by Springleaf Finance Corporation, Springleaf Holdings, Inc., as Guarantor, and Wilmington Trust, National Association. Incorporated by reference to Exhibit (4.1) to our Current Report on Form 8-K dated December 3, 2014.
- (iv) Indenture, dated as of February 26, 2015, among Springleaf Funding Trust 2015-A, as Issuer, Springleaf Finance Corporation, as Servicer, and Wells Fargo Bank, National Association. Incorporated by reference to Exhibit (10.1) to our Current Report on Form 8-K dated March 4, 2015.
- b. In accordance with Item 601(b)(4)(iii) of Regulation S-K, certain other instruments defining the rights of holders of the Company's long-term debt and of our consolidated subsidiaries have not been filed as exhibits to this Annual Report on Form 10-K because the total amount of securities authorized and outstanding under each instrument does not exceed 10% of the total assets of the Company on a consolidated basis. We hereby agree to furnish a copy of each instrument to the Securities and Exchange Commission upon request.
- 10 Form of Indemnification Agreement. Incorporated by reference to Exhibit (10.1) to Amendment No. 2 to the Registration Statement on Form S-1 of Springleaf Holdings, Inc. (formerly known as Springleaf Holdings, LLC), filed October 1, 2013.
- 10.1 * Springleaf Finance, Inc. Excess Retirement Income Plan dated as of January 1, 2011. Incorporated by reference to Exhibit (10.1) to Springleaf Finance Corporation's Current Report on Form 8-K dated

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December 3, 2010.

- 10.2 * Amendment to Springleaf Finance, Inc. Excess Retirement Income Plan effective as of December 19, 2012. Incorporated by reference to Exhibit (10.5) to Springleaf Finance Corporation's Annual Report on Form 10-K for the year ended December 31, 2012.
- 10.3 * Employment Letter, dated October 1, 2012, for Minchung (Macrina) Kgil. Incorporated by reference to Exhibit (10.4) to Springleaf Finance Corporation's Annual Report on Form 10-K for the year ended December 31, 2012.
- 10.4 * Employment Agreement by and among Springleaf Finance, Inc., Springleaf General Services Corporation and Jay Levine, dated as of September 30, 2013. Incorporated by reference to Exhibit (10.10) to Springleaf Finance Corporation's Registration Statement on Form S-4 dated October 30, 2013.
- 10.5 * Springleaf Holdings, Inc. 2013 Omnibus Incentive Plan. Incorporated by reference to Exhibit (99.1) to the Registration Statement on Form S-8 of Springleaf Holdings, Inc., filed October 15, 2013.
- 10.6 * Form of Restricted Stock Award Agreement under the Springleaf Holdings, Inc. 2013 Omnibus Incentive Plan (Employees). Incorporated by reference to Exhibit (10.9) to Amendment No. 2 to the Registration Statement on Form S-1 of Springleaf Holdings, Inc., filed October 1, 2013.

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Exhibit

10.7 *	Form of Restricted Stock Award Agreement under the Springleaf Holdings, Inc. 2013 Omnibus Incentive Plan (Non-Employee Directors). Incorporated by reference to Exhibit (10.10) to Amendment No. 2 to the Registration Statement on Form S-1 of Springleaf Holdings, Inc., filed October 1, 2013.
10.8 *	Form of Restricted Stock Unit Award Agreement under the Springleaf Holdings, Inc. 2013 Omnibus Incentive Plan. Incorporated by reference to Exhibit (10.16) to Amendment No. 4 to the Registration Statement on Form S-1 of Springleaf Holdings, Inc., filed October 11, 2013.
10.9	Stockholders Agreement between Springleaf Holdings, Inc. and Springleaf Financial Holdings, LLC. Incorporated by reference to Exhibit (10.5) to our Quarterly Report on Form 10-Q for the period ended September 30, 2013.
10.10	Guaranty, dated December 30, 2013, by Springleaf Holdings, Inc. in respect of Springleaf Finance Corporation's 8.250% Senior Notes due 2023. Incorporated by reference to Exhibit (10.1) to our Current Report on Form 8-K dated January 3, 2014.
10.11	Guaranty, dated December 30, 2013, by Springleaf Holdings, Inc. in respect of Springleaf Finance Corporation's 7.750% Senior Notes due 2021. Incorporated by reference to Exhibit (10.2) to our Current Report on Form 8-K dated January 3, 2014.
10.12	Guaranty, dated December 30, 2013, by Springleaf Holdings, Inc. in respect of Springleaf Finance Corporation's 6.00% Senior Notes due 2020. Incorporated by reference to Exhibit (10.3) to our Current Report on Form 8-K dated January 3, 2014.
10.13	Guaranty, dated December 30, 2013, by Springleaf Holdings, Inc. in respect of Springleaf Finance Corporation's Senior Notes issued and outstanding on December 30, 2013 under the Indenture dated as of May 1, 1999, between SFC and Wilmington Trust, National Association (the successor trustee to Citibank N.A.). Incorporated by reference to Exhibit (10.4) to our Current Report on Form 8-K dated January 3, 2014.
10.14	Guaranty, dated December 30, 2013, by Springleaf Holdings, Inc. in respect of Springleaf Finance Corporation's 60-year junior subordinated debenture. Incorporated by reference to Exhibit (10.5) to our Current Report on Form 8-K dated January 3, 2014.
10.15	Trust Guaranty, dated December 30, 2013, by Springleaf Holdings, Inc. in respect of Springleaf Finance Corporation's trust securities. Incorporated by reference to Exhibit (10.6) to our Current Report on Form 8-K dated January 3, 2014.
10.16	Springleaf Holdings, Inc. Annual Leadership Incentive Plan. Incorporated by reference to Exhibit (10.1) to our Current Report on Form 8-K dated August 4, 2014.
10.17	Springleaf Holdings, Inc. Executive Severance Plan, effective March 16, 2015, and form of Severance Agreement and General Release.
12.1	Computation of ratio of earnings to fixed charges
21.1	Subsidiaries of Springleaf Holdings, Inc.

- 23.1 Consent of PricewaterhouseCoopers LLP
- 31.1 Rule 13a-14(a)/15d-14(a) Certifications of the President and Chief Executive Officer of Springleaf Holdings, Inc.
- 31.2 Rule 13a-14(a)/15d-14(a) Certifications of the Executive Vice President and Chief Financial Officer of Springleaf Holdings, Inc.
- 32.1 Section 1350 Certifications
- 101 ** Interactive data files pursuant to Rule 405 of Regulation S-T: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income (Loss), (iv) Consolidated Statements of Shareholders' Equity, (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements.

* Management contract or compensatory plan or arrangement required to be filed as an exhibit to this Annual Report on Form 10-K pursuant to Item 15(b).

** As provided in Rule 406T of Regulation S-T, this information is furnished and not filed for purposes of Section 11 and 12 of the Securities and Exchange Act of 1933 and Section 18 of the Securities and Exchange Act of 1934.