UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF INDIANA
EVANSVILLE DIVISION

____________________, Individually and On Behalf of All Others Similarly Situated, Plaintiff, v. ONEMAIN HOLDINGS, INC., JAY N. LEVINE, SCOTT T. PARKER, FORTRESS INVESTMENT GROUP LLC, Defendants.	Civil Action No. **CLASS ACTION COMPLAINT FOR VIOLATIONS OF THE FEDERAL SECURITIES LAWS** **DEMAND FOR JURY TRIAL**

Plaintiff ______________ ("Plaintiff"), individually and on behalf of all others similarly situated, by Plaintiff's undersigned attorneys, for Plaintiff's Complaint for Violations of Federal Securities Laws against defendants (defined below), alleges the following based upon personal knowledge as to Plaintiff and Plaintiff's own acts and based upon information as to all other matters from the investigation conducted by and through Plaintiff's attorneys. This investigation included, without limitation, a review of the following: defendants' public documents; conference calls and announcements made by defendants; United States Securities and Exchange Commission ("SEC") filings; wire and press releases published by and regarding OneMain Holdings, Inc. ("OneMain" or the "Company"); analysts' reports and advisories about the Company; and information readily obtainable from public sources. Plaintiff believes that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a federal securities class action on behalf of a class consisting of all persons other than defendants who purchased the common stock of OneMain ("Class") between March 3, 2015 and November 7, 2016 (the "Class Period"), inclusive, seeking to recover compensable damages caused by the defendants' violations of federal securities laws and to pursue remedies under the Securities Exchange Act of 1934 (the "Exchange Act").

2. The Company was formerly known as Springleaf Holdings, Inc. ("Springleaf"), until Springleaf purchased OneMain Financial Holdings, LLC ("OneMain Financial") from Citigroup on November 15, 2015, and the combined company was renamed OneMain Holdings, Inc. OneMain through its subsidiaries, provides consumer finance and insurance products and services. The Company also provides personal loans secured by consumer household goods, and other personal property; unsecured loans; and loans secured by subordinate residential real estate mortgages.

3. Throughout the Class Period, defendants caused OneMain to issue materially misleading statements and/or omit material information concerning the Company's business, operations and prospects. In particular, defendants caused the Company to issue materially misleading representations and/or omit material information regarding the projected net income to be achieved by the Company following, and in large part due to, its acquisition of OneMain Financial. Without basis in fact, the Company represented that synergies between the two companies (Springleaf and OneMain Financial) would result in a combined company that would be significantly more profitable than the sum of its two former component parts.

4. On November 13, 2015, in anticipation of the newly merged company beginning to trade on the New York Stock Exchange ("NYSE") on November 27, 2015, the Company

issued a press release after Springleaf disclosed its settlement with the Department of Justice that would allow for the acquisition of OneMain Financial to proceed.[1] The press release stated, in part, that defendant Jay N. Levine – then Chief Executive Officer ("CEO") and President of Springleaf, and later CEO and President of OneMain – stated, "[r]eflecting the significant earnings power of the new combined company, we expect to generate core net income of $830 million to $900 million, or $6.20 to $6.70 per share in 2017." Form 8-K, Ex. 99.1, filed with the SEC on November 17, 2015.

5. The above statement, and others like it, were knowingly false and misleading and without basis in fact. During the following months, the defendants caused the Company to issue further false and misleading statements to artificially inflate OneMain's share price. The Company's stock traded at artificially inflated prices until the truth was finally revealed on November 7, 2016, after months of false and misleading statements about OneMain's financial results and projections, along with falsely positive representations concerning the integration of and synergies between former Springleaf and OneMain Financial.

6. Based upon the Company's materially misleading inflated earnings projections, and misleading statements concerning the integration of former Springleaf and OneMain Financial (more fully detailed herein), the Company's stock traded at artificially inflated levels during the Class Period.

7. On November 7, 2016, the Company issued a press release announcing its third quarter results for the period ended September 30, 2016, and on November 8, 2016, the Company held a conference call for analysts and investors to discuss those results.

---

[1] *See* Amanda Gomez, *Springleaf (LEAF) Stock Soars as OneMain Financial Acquisition Gains Regulatory Approval*, TheStreet (Nov. 13, 2015), *available at* https://www.thestreet.com/story/13365540/1/springleaf-leaf-stock-soars-as-onemain-financial-acquisition-gains-regulatory-approval.html.

8. During the conference call, defendant Levine, the Company's CEO and President, ultimately disclosed that the Company was slashing guidance for full-year 2016 and 2017 with respect to the growth in its loan portfolios and its preferred measure of earnings. In particular, during the conference call, defendant Levine disclosed that the Company would: (i) lower its guidance for its consumer insurance adjusted EPS for 2016 from $4.20 to $4.70 per share to a range of $3.60 to $3.70 per share; (ii) lower its guidance for its consumer insurance adjusted EPS for 2017 from $5.60 to $6.10 per share to a range of $3.75 to $4.00 per share; (iii) lower guidance for receivables growth in 2016 from 10-15% to 5%; and (iv) lower guidance for receivable growth in 2017 from 10-15% to 5-10%.

9. On this news, the Company's share price plummeted by $10.67 per share, or approximately 38%, from $27.57 on November 7, 2016, to close at $16.90 per share on November 8, 2016.

10. As a result of defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's common shares, Plaintiff and the Class members have suffered significant losses and damages.

JURISDICTION AND VENUE

11. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §78j (b) and 78t (a)) and Rule 10b-5 promulgated thereunder (17 C.F.R. §240.10b-5).

12. This Court has jurisdiction over the subject matter of this action pursuant to §27 of the Exchange Act (15 U.S.C. §78aa) and 28 U.S.C. §1331.

13. Venue is proper in this Judicial District pursuant to §27 of the Exchange Act (15 U.S.C. §78aa) and 28 U.S.C. §1391(b), as a substantial part of the conduct complained of herein,

and the subsequent damages, occurred in this Judicial District. Moreover, OneMain maintains an office and conducts business in this Judicial District.

14. In connection with the acts, conduct, and other wrongs alleged herein, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, without limitation, the United States mail, interstate telephone communications, and the facilities of the national securities exchange.

THE PARTIES

15. Plaintiff purchased common shares of OneMain at artificially inflated prices during the Class Period and was damaged upon the revelation of the alleged corrective disclosure.

16. Defendant OneMain is a Delaware corporation with its principal executive offices located at 601 N.W. Second Street, Evansville, Indiana 47708.

17. Defendant Jay N. Levine ("Levine") is and has been the President, CEO and a director of the Company since the Merger (described below). Prior to the Merger, defendant Levine had been the CEO and President of Springleaf since October 1, 2011.

18. Defendant Scott T. Parker ("Parker") has been the Executive Vice President and Chief Financial Officer ("CFO") of the Company since November 2015.

19. Defendants Levine and Parker are collectively referred to herein as the "Individual Defendants."

20. Defendant Fortress Investment Group LLC ("Fortress") and funds managed by affiliates of Fortress collectively own approximately 57.6% of the Company as of March 31, 2016.[2]

21. The Individual Defendants, defendant OneMain and defendant Fortress are collectively referred to herein as the "defendants."

SUBSTANTIVE ALLEGATIONS

Background of the Company

22. The Company was formerly known as Springleaf Holdings, Inc. ("Springleaf"). On March 3, 2015, Springleaf entered into a definitive agreement to acquire OneMain Financial from CitiFinancial Credit Company ("CitiFinancial"), a wholly-owned subsidiary of Citigroup (the "Merger").

23. On March 3, 2015, Springleaf issued a press release announcing the Merger. The press release stated:

> **SPRINGLEAF FINANCIAL TO ACQUIRE ONEMAIN FINANCIAL**
>
> *Compelling Combination Will Create Leading Personal Finance Company With Nearly $14 Billion in Net Finance Receivables*
>
> *Enhances Scale and Expands Presence to Almost 2,000 Branches Across 43 States*
>
> *Transaction Estimated To Be Accretive to Springleaf 2017 Earnings by $470 Million*

---

[2] The Fortress affiliates include: Springleaf Financial Holdings, LLC ("SFH"); FCFI Acquisition LLC ("FCFI"); Fortress Investment Fund V (Fund A) L.P., Fortress Investment Fund V (Fund B) L.P., Fortress Investment Fund V (Fund C) L.P., Fortress Investment Fund V (Fund D), L.P., Fortress Investment Fund V (Fund E) L.P., Fortress Investment Fund V (Fund F) L.P. and Fortress Investment Fund V (Fund G) L.P.; FIG LLC; Fortress Operating Entity I LP ("FOE I"); FIG Corp. (collectively, the "Fortress Parties"). The address for the Fortress Parties is c/o Fortress Investment Group LLC, 1345 Avenue of the Americas, 46th Floor, New York, NY 10105.

EVANSVILLE, IN — March 3, 2015 - Springleaf Holdings, Inc. (NYSE:LEAF), a leading personal finance company providing loan products to customers nationwide, today announced that it has reached a definitive agreement to acquire OneMain Financial from CitiFinancial Credit Company, a wholly-owned subsidiary of Citigroup (NYSE:C), for total consideration of $4.25 billion, in an all-cash transaction.

On a pro forma basis, as of September 30, 2014, the combined company would have had $13.96 billion in core consumer net finance receivables. At closing, the combined company is expected to have 1,967 branches across 43 states.

The transaction, which was approved by the Boards of Directors of both Springleaf and Citigroup, is expected to close in the third quarter 2015, subject to customary closing conditions and regulatory approvals. Upon closing, the transaction is expected to be accretive to Springleaf's 2015 after-tax earnings, excluding one-time charges related to the acquisition. Accretion is estimated to reach approximately $470 million for 2017(1).

With roots dating back to 1912, OneMain is a nationwide provider of personal loan solutions, including one-on-one, local service through a network of more than 1,100 neighborhood branches across 43 states. Founded originally as Commercial Credit, the company has a long history in the personal finance business and over the years has acquired companies such as The Associates and Washington Mutual Finance. Headquartered in Baltimore, OneMain has approximately 5,600 employees.

* * *

The combined company will be led by Springleaf CEO Jay Levine, and Mary McDowell will continue as CEO of OneMain. Initially, the combined company will maintain both the Springleaf and OneMain brands, with the expectation of migrating to the OneMain brand beginning in mid-2016. After closing, the combined company will be run from Springleaf's executive office in Connecticut, and will maintain significant presences in Evansville, Indiana and Baltimore, Maryland. The company will also maintain key operations in Wilmington, Delaware; Chicago, Illinois; London, Kentucky; Mendota Heights, Minnesota; Tempe, Arizona; Fort Mill, South Carolina; and Irving and Fort Worth, Texas.

The branch networks of the two companies are highly complementary; however, Springleaf expects to consolidate approximately 200 branches beginning in mid-2016. Detailed planning for the integration of the two companies will begin immediately upon closing, with actual integration of systems and facilities expected to commence in mid-2016.

Bank of America Merrill Lynch, Barclays, Credit Suisse and Goldman Sachs provided financial advice to Springleaf on the transaction. Skadden, Arps, Slate,

> Meagher & Flom LLP provided legal advice to Springleaf on the transaction. Advising OneMain on the transaction was Citi as financial advisor and Davis Polk & Wardwell as legal advisors.

24. In the press release announcing the Merger, defendant Levine, President and CEO, stated:

> This is a transformational transaction, bringing together two best-in-class personal finance businesses to create a combined company that we believe is financially strong and optimized for growth. With complementary branch networks, a leading digital presence, and an ongoing commitment to responsible lending practices, we are positioned to serve a significant portion of Americans.
>
> Importantly, OneMain shares our strong commitment to excellence in customer service, and both Springleaf and OneMain are committed to making a meaningful, positive difference to the families in the communities we serve. We look forward to welcoming OneMain's talented team members as we build on our mutual success to enhance the growth potential of the combined company and deliver superior value for our shareholders.

25. On November 16, 2015, Springleaf announced the closing of the acquisition of OneMain Financial from Citigroup. After the closing of the OneMain Financial acquisition, Springleaf changed its corporate name to OneMain. OneMain currently trades on the New York Stock Exchange ("NYSE") under the ticker symbol "OMF."

26. OneMain is primarily composed of the combination of Springleaf and OneMain Financial. Prior to the purchase, Springleaf had 830 branches in 26 states. Prior to the purchase, OneMain Financial had 1,100 branches in 43 states.

27. The combined entity – "OneMain" – through its subsidiaries, provides consumer finance and insurance products and services as well as personal loans secured by consumer household goods, and other personal property, unsecured loans, and loans secured by subordinate residential real estate mortgages. The Company also offers auto loans for purchasing new vehicles, as well as to pay off the existing auto loans.

28. On November 13, 2015, Springleaf reached a settlement with the U.S.

Department of Justice and the state Attorneys General of seven states that allowed Springleaf to proceed with the closing of the acquisition of OneMain Financial.

29. Prior to the closing of the acquisition of OneMain Financial, Springleaf was reporting net losses. On March 12, 2015, Springleaf issued a press release announcing its fourth quarter and full year 2014 results. In the press release, Springleaf reported a GAAP basis net loss of $47 million, or $0.41 per diluted share for the fourth quarter of 2014, as compared with net income of $27 million, or $0.24 per diluted share, in the fourth quarter of 2013. Springleaf also reported its 2015 guidance, shown below:

2015 Guidance

The company has established 2015 guidance ranges for certain metrics related to its Core Consumer Operations as follows:

	2014A[1]	**2015E Guidance**
Consumer Net Finance Receivables at Period End	$3.81bn	$4.50bn - $4.75bn
Consumer Yield	26.99%	26.00% - 26.50%
Consumer Risk-Adjusted Yield[2]	22.05%	20.50% - 21.50%
Acquisitions & Servicing Pretax Income[3]	$143mm	$100mm - $120mm

1. Net Finance Receivables represents data as of December 31, 2014. All other metrics represent data for the year ended December 31, 2014.
2. Risk Adjusted Yield = Yield less Net Charge-off rates.
3. Excludes impact of charges related to accelerated repayment/repurchase of debt, fair value adjustments on debt and earnings attributable to non-controlling interests.

30. In the March 12, 2015 press release, Defendant Levine – President and CEO of Springleaf at that time – stated, "[j]ust last week we were very excited to have reached an agreement to acquire OneMain Financial, a leading national provider of personal loans, and we look forward to closing on the acquisition and building on the enormous potential of the combined company."

31. On May 7, 2015, Springleaf issued a press release announcing its financial results for the first quarter of 2015. The press release stated, in pertinent part:

SPRINGLEAF HOLDINGS, INC. REPORTS FIRST QUARTER 2015 RESULTS

Evansville, IN, MAY 7, 2015 - Springleaf Holdings, Inc. (NYSE: LEAF), today reported a GAAP basis net income of $0 million, or $0.00 per diluted share for the first quarter of 2015, compared with net income of $52 million or $0.45 per diluted share in the first quarter of 2014, which included a pretax gain of $55 million on the sale of real estate assets.

For Core Consumer Operations, core earnings (a non-GAAP measure) for the quarter was $64 million, a 28% increase from $50 million in the prior year quarter, and core earnings per diluted share (a non-GAAP measure) was $0.55 for the first quarter versus $0.43 in the prior year quarter[1,2].

First Quarter Highlights

- Consumer net finance receivables reached $3.9 billion at March 31, 2015, an increase of $736 million, or 23% from March 31, 2014, and up 2% from December 31, 2014.

- Consumer net finance receivables per branch were $4.7 million at March 31, 2015, up 24% from March 31, 2014 and 2% from December 31, 2014.

- Risk-adjusted yield for our Consumer segment in the quarter was 21.24%, down 68 basis points from the first quarter of 2014.

- The company generated $868 million of total consumer origination volume in the first quarter, including $207 million of direct auto loan originations. Direct auto loan receivables reached $415 million at quarter-end.

* * *

Core Consumer Operations: (Reported on a historical accounting basis, which is a non-GAAP measure. Refer to the reconciliation of non-GAAP to comparable GAAP measures below.)

Consumer and Insurance

Consumer and Insurance pretax income was $65 million in the quarter versus $49 million in the first quarter of 2014, and up slightly from the fourth quarter of 20143,4.
Consumer net finance receivables reached $3.9 billion at March 31, 2015, an increase of 23% from March 31, 2014 and up 2% from December 31, 2014, driven by the company's same focus on increasing personal loan originations through its branch network, as well as the continued strong growth in the direct

auto loan product. Consumer net finance receivables per branch continued to grow, reaching $4.7 million at March 31, 2015, up from $3.8 million at March 31, 2014 and $4.6 million at December 31, 2014.

Net interest income was $216 million in the quarter, up 28% from the prior year quarter and 4% from the prior quarter. Yield in the current quarter was 26.88%. Risk adjusted yield, representing yield less net charge-off rate, was 21.24% in the quarter, down 68 basis points from the first quarter of 2014 as net charge-offs increased year-over-year. Risk adjusted yield declined 75 basis points from the fourth quarter of 2014 due primarily to the increased charge-offs.

The annualized net charge-off ratio was 5.64% in the quarter, versus 5.01% in the prior year quarter and 4.96% in the prior quarter.

The annualized gross charge-off ratio was 6.43% in the quarter, up 87 basis points from the prior year quarter and up 65 basis points from the fourth quarter 2014. Recoveries improved in the quarter at 79 basis points versus 55 basis points in the first quarter of 2014.

The 60+ delinquency ratio was 2.53% at quarter end, versus 2.45% at prior year quarter end and 2.82% at prior quarter end.

Acquisitions and Servicing

The Acquisitions and Servicing segment contributed $36 million to the company's consolidated pretax income in the quarter. The entire Acquisitions and Servicing segment, which includes non-controlling interests, generated pretax income of $67 million in the quarter5, with net interest income of $104 million and a yield of 26.78%. Actual net finance receivables at quarter-end were $1.9 billion, down from $2.0 billion at December 31, 2014. The principal balance of the portfolio was $2.4 billion at quarter-end versus $3.0 billion at March 31, 2014.

The annualized net charge-off ratio was 5.43% in the quarter, versus 8.67% in the prior year quarter and 5.56% in the prior quarter.

The annualized gross charge-off ratio was 6.06% in the quarter, down 322 basis points from the prior year quarter and 9 basis points from the fourth quarter 2014. Recoveries continued to improve in the quarter at 64 basis points versus 59 basis points in the fourth quarter of 2014.

The delinquency ratio for the Acquisitions and Servicing segment was 4.22% at the end of the quarter, a decrease of 47 basis points from the prior quarter end.

Non-Core Portfolio: (Reported on a historical accounting basis, which is a non-GAAP measure.)

Legacy Real Estate and Other Non-Core

The Non-Core Portfolio (consisting of legacy real estate loans) generated a pretax loss of $48 million in the quarter. The loss resulted primarily from the reduction in interest earning assets due to real estate sales completed in 2014. The sale proceeds, which have been allocated to the Non-Core portfolio, are expected to be used to fund the purchase of OneMain. At closing, the majority of the debt allocated to the Non-Core Portfolio will be re-allocated to the Core Consumer segment. The real estate portfolio was $0.8 billion at quarter end[6], down from $8.1 billion from the prior year quarter end.

The Other Non-Core activities generated a pretax loss of $10 million.

Liquidity and Capital Resources

As of March 31, 2015, the company had $4.3 billion of cash and highly liquid investment securities. The company had total outstanding debt of $9.6 billion at quarter-end, in a variety of debt instruments.

On May 4, 2015, the company issued approximately 19.4 million shares of common stock for net proceeds of approximately $978 million[8]. The proceeds may be used to fund the acquisition of OneMain and/or for general corporate purposes, which may include debt repurchases and repayments, capital expenditures and other possible acquisitions.

2015 Guidance

The company has established 2015 guidance ranges for certain metrics related to its Core Consumer Operations as follows:

	1Q15A[1]	**2015E Guidance**
Consumer Net Finance Receivables at Period End	$3.90bn	$4.50bn - $4.75bn
Consumer Yield	26.88%	26.00% - 26.50%
Consumer Net Charge-off Ratio	5.64%	5.00% - 5.50%
Consumer Risk-Adjusted Yield[2]	21.24%	20.50% - 21.50%
Acquisitions & Servicing Pretax Income[3]	$36mm	$100mm - $120mm

32. On May 8, 2015, Springleaf issued a quarterly report on Form 10-Q for the quarter ended March 31, 2015 (the "Q1 10-Q 2015"), which contained additional information as that described in the May 7, 2015 press release regarding the Company's first quarter financial results for 2015. The Q1 10-Q 2015 was signed by Minchung Kgil (then Executive Vice President and CFO of Springleaf) and also contained a signed certification pursuant to the

Sarbanes-Oxley Act of 2002 (“SOX”) by defendant Levine.

33. On August 6, 2015, Springleaf issued a press release announcing its financial results for the second quarter of 2015. The press release stated, in pertinent part:

SPRINGLEAF HOLDINGS, INC. REPORTS SECOND QUARTER 2015 RESULTS

Evansville, IN, August 6, 2015 - Springleaf Holdings, Inc. (NYSE: LEAF), today reported a GAAP basis net loss of $12 million, or $0.09 per diluted share for the second quarter of 2015, compared with net income of $72 million or $0.63 per diluted share in the second quarter of 2014, which included a pretax gain of $35 million on the sale of real estate assets.

For Core Consumer Operations, core earnings (a non-GAAP measure) for the quarter were $67 million, a 14% increase from $59 million in the prior year quarter, and core earnings per diluted share (a non-GAAP measure) were $0.53 for the second quarter versus $0.52 in the prior year quarter1,2. Weighted average shares outstanding increased to 127.4 million for the second quarter 2015 from 115.2 million for the second quarter 2014 as a result of the company’s issuance of 19.4 million common shares on May 4, 2015.

Second Quarter Highlights

- Consumer net finance receivables reached $4.3 billion at June 30, 2015, an increase of $909 million, or 27% from June 30, 2014, and up 10% from March 31, 2015. The $4.3 billion at June 30, 2015 included $632 million of direct auto loan receivables.

- Consumer net finance receivables per branch were $5.2 million at June 30, 2015, up 27% from $4.1 million at June 30, 2014, and up 10% from $4.7 million at March 31, 2015.

- Yield for our Consumer segment in the quarter was 26.50%, down 53 basis points from the second quarter of 2014, and risk-adjusted yield for our Consumer segment in the quarter was 21.64%, down 27 basis points from the second quarter of 2014.

- The company originated $1.2 billion of total consumer loans in the second quarter, including $274 million of direct auto loan originations.

* * *

Core Consumer Operations: (Reported on a historical accounting basis, which is a non-GAAP measure. Refer to the reconciliation of non-GAAP to

comparable GAAP measures on page 10.)

Consumer and Insurance

Consumer and Insurance pretax income was $76 million in the quarter versus $60 million in the second quarter of 2014, and $65 million in the first quarter of 2015.

Consumer net finance receivables reached $4.3 billion at June 30, 2015, an increase of 27% from June 30, 2014 and up 10% from March 31, 2015, driven by the ongoing use of advanced analytics to enhance the quality of new customer leads, as well as the continued strong growth in the direct auto loan product. Driven by these same factors, Consumer net finance receivables per branch continued to grow, reaching $5.2 million at June 30, 2015, up from $4.1 million at June 30, 2014 and $4.7 million at March 31, 2015.

Net interest income was $233 million in the quarter, up 30% from the prior year quarter and 8% from the prior quarter. Yield in the current quarter was 26.50%, down 53 basis points from the prior year quarter, and 38 basis points from the first quarter of 2015, reflecting the impact of the successful roll-out of the company's direct-to-consumer auto loan product. Risk adjusted yield, representing yield less net charge-off rate, was 21.64% in the quarter, down 27 basis points from the second quarter of 2014 as the decline in yield more than offset the year-over-year improvement in net charge-offs. Risk adjusted yield grew 40 basis points from the first quarter of 2015 due to the significant reduction in charge-offs.

The annualized net charge-off ratio was 4.86% in the second quarter of 2015, versus 5.12% in the prior year quarter and 5.64% in the prior quarter.

The annualized gross charge-off ratio was 5.84% in the quarter, up 4 basis points from the prior year quarter, but 59 basis points lower than the first quarter 2015. Recovery ratio improved in the quarter to 98 basis points versus 68 basis points in the second quarter of 2014 and 79 basis points in the first quarter of 2015.

The 60+ delinquency ratio was 2.39% at quarter end, versus 2.28% at prior year quarter end and 2.53% at prior quarter end.

Acquisitions and Servicing

The Acquisitions and Servicing segment contributed $31 million to the company's consolidated pretax income in the quarter. The entire Acquisitions and Servicing segment, which includes non-controlling interests, generated pretax income of $62 million in the quarter4, with net interest income of $98 million and a yield of 26.49%. Actual net finance receivables at quarter-end were $1.8 billion, down from $2.2 billion at June 30, 2014, and down from $1.9 billion at March 31, 2015. The principal balance of the portfolio was $2.3 billion at quarter-end versus $2.9 billion at June 30, 2014 and $2.4 billion at March 31, 2015.

The annualized net charge-off ratio improved to 5.07% in the quarter, versus 7.07% in the prior year quarter and 5.43% in the prior quarter.

The annualized gross charge-off ratio was 5.75% in the quarter, down 203 basis points from the prior year quarter and down 31 basis points from the first quarter 2015. Recoveries continued to improve in the quarter at 68 basis points versus 63 basis points in the first quarter of 2015.

The 60+ delinquency ratio for the Acquisitions and Servicing segment was 3.75% at the end of the quarter, a decrease of 129 basis points from the prior year quarter end, and down 47 basis points from the prior quarter end.

Non-Core Portfolio: (Reported on a historical accounting basis, which is a non-GAAP measure.)

Legacy Real Estate and Other Non-Core

The Non-Core Portfolio (consisting of legacy real estate loans) generated a pretax loss of $43 million in the quarter. The loss resulted primarily from the reduction in interest earning assets attributable to real estate sales completed in 2014. The sale proceeds, which have been allocated to the Non-Core portfolio, are expected to be used to fund the purchase of OneMain and/or for general corporate purposes. At closing, the majority of the debt allocated to the Non-Core Portfolio will be re-allocated to the Core Consumer segment. The real estate portfolio was $0.8 billion at quarter end5., down from $7.3 billion from the prior year quarter end.

The Other Non-Core activities generated a pretax loss of $18 million.

Liquidity and Capital Resources

As of June 30, 2015, the company had $5.2 billion of cash and highly liquid investment securities. The company had total outstanding debt of $9.7 billion at quarter-end, in a variety of debt instruments.

On May 4, 2015, the company issued approximately 19.4 million shares of common stock for net proceeds of approximately $976 million7. The proceeds may be used to fund the acquisition of OneMain and/or for general corporate purposes, which may include debt repurchases and repayments, capital expenditures and other possible acquisitions.

Proposed Acquisition of OneMain

As we reported previously, on March 22, 2015, we were notified by the Department of Justice ("DOJ"), Antitrust Division, that they would be reviewing the Proposed Acquisition from an antitrust perspective and we and OneMain subsequently met with, and provided information to, the DOJ staff on a voluntary basis. Thereafter, both parties received a voluntary request for information from the DOJ. On April 28, 2015, the DOJ also issued a Civil Investigative Demand ("CID") to both parties. The voluntary request for information and the CID seek documentary materials and information regarding the Proposed Acquisition and the marketplace in which both parties operate. We have responded to the DOJ's request. As part of this process, on June 5, 2015, we, OneMain and the Department of Justice entered into a timing agreement whereby we and OneMain agreed not to consummate the Proposed Acquisition prior to September 10, 2015, in order to provide the DOJ with a sufficient opportunity to complete its review of the Proposed Acquisition from an antitrust perspective. In addition, we have been contacted by state Attorney General's offices, which may seek to coordinate their antitrust review of the Proposed Acquisition with the DOJ.

The review of the proposed acquisition of OneMain from an antitrust perspective has not yet been completed. The DOJ and certain state Attorneys General have expressed to Springleaf potential concerns with respect to the proposed acquisition. Springleaf expects to constructively engage with the DOJ and the states in an attempt to resolve any potential concerns. These discussions could result in a delay in the consummation of the proposed acquisition beyond the third quarter.

2015 Guidance

The company has established 2015 guidance ranges for certain metrics related to its Core Consumer Operations as follows:

	2Q15A[1]	**2015E Guidance**
Consumer Net Finance Receivables at Period End	$4.28bn	$4.70bn - $4.85bn
Consumer Yield	26.50%	26.00% - 26.50%
Consumer Net Charge-off Ratio	4.86%	5.00% - 5.50%
Consumer Risk-Adjusted Yield[2]	21.64%	20.50% - 21.50%
Acquisitions & Servicing Pretax Income[3]	$31mm	$105mm - $120mm

34. Also on August 6, 2015, Springleaf issued a quarterly report on Form 10-Q for the quarter ended June 30, 2015 (the "Q2 10-Q 2015"), which contained additional information as that described in the August 6, 2015 press release regarding the Company's second quarter financial results for 2015. The Q2 10-Q 2015 was signed by Minchung Kgil and also contained a signed certification pursuant to SOX by defendant Levine.

35. On November 9, 2015, Springleaf issued a press release announcing its financial

results for the third quarter of 2015. The press release stated, in pertinent part:

SPRINGLEAF REPORTS THIRD QUARTER 2015 RESULTS

Evansville, IN, November 9, 2015 - Springleaf Holdings, Inc. (NYSE: LEAF) today reported a GAAP basis net loss of $11 million, or $0.08 per diluted share for the third quarter of 2015, compared with net income of $427 million or $3.70 per diluted share in the third quarter of 2014, which included a pretax gain of $641 million on the sale of real estate assets.

Core earnings (a non-GAAP measure) in consumer operations for the quarter were $66 million, a 3% increase from $64 million in the prior year quarter, and core earnings per diluted share (a non-GAAP measure) were $0.50 for the third quarter versus $0.55 in the prior year quarter.1,2 Weighted average diluted shares outstanding increased to 134.5 million for the third quarter of 2015 from 115.3 million for the prior year quarter as a result of the company's issuance of 19.4 million common shares on May 4, 2015.

Third Quarter Highlights

- Consumer net finance receivables reached $4.7 billion at September 30, 2015, an increase of $1.1 billion, or 30% from September 30, 2014, and up 9% from June 30, 2015. The $4.7 billion at September 30, 2015 included $825 million of direct auto loan receivables.

- Consumer net finance receivables per branch were $5.7 million at September 30, 2015, up 31% from $4.3 million at September 30, 2014, and up 9% from $5.2 million at June 30, 2015.

- Yield for our Consumer segment in the quarter was 25.97%, down 105 basis points from the third quarter of 2014. Risk-adjusted yield, representing yield less net charge-off rate, for our Consumer segment in the quarter was 21.67%, down 67 basis points from the third quarter of 2014.

- The company originated $1.2 billion of total consumer loans in the third quarter of 2015, including $278 million of direct auto loan originations, up $194 million from the third quarter of 2014.

* * *

Core Consumer Operations: (Reported on a historical accounting basis, which is a non-GAAP measure. Refer to the reconciliation of non-GAAP to comparable GAAP measures on page 10.)

Consumer and Insurance

Consumer and Insurance pretax income was $77 million in the third quarter of 2015, up 22% from $63 million in the third quarter of 2014, versus $76 million in the second quarter of 2015.

Consumer net finance receivables reached $4.7 billion at September 30, 2015, an increase of 30% from September 30, 2014 and up 9% from June 30, 2015, driven by improved targeting and scoring algorithms which enhanced the quality of new customer leads, incremental internet customer acquisition, and continued strong growth in direct auto lending.5 Driven by these same factors, Consumer net finance receivables per branch continued to grow, reaching $5.7 million at September 30, 2015, up from $4.3 million at September 30, 2014 and $5.2 million at June 30, 2015.

Net interest income was $250 million in the quarter, up 28% from the prior year quarter and 7% from the prior quarter. Yield in the current quarter was 25.97%, down 105 basis points from the prior year quarter, and 53 basis points from the second quarter of 2015, reflecting the impact of the successful roll-out of the company's direct-to-consumer auto loan product. Risk adjusted yield was 21.67% in the third quarter of 2015, down 67 basis points from the third quarter of 2014 as the decline in yield more than offset the year-over-year improvement in net charge-offs. Risk adjusted yield grew 3 basis points from the second quarter of 2015.

The annualized net charge-off ratio was 4.30% in the third quarter of 2015, versus 4.68% in the prior year quarter and 4.86% in the prior quarter.

The annualized gross charge-off ratio was 5.19% in the third quarter of 2015, down 27 basis points from the prior year quarter, and down 65 basis points from the second quarter of 2015. Recovery ratio was 89 basis points in the quarter, versus 78 basis points in the prior year quarter and 98 basis points in the second quarter of 2015.

The 60+ delinquency ratio was 2.90% at quarter end, versus 2.55% at prior year quarter end and 2.39% at prior quarter end.

Acquisitions and Servicing

The Acquisitions and Servicing segment contributed $28 million to the company's consolidated pretax income in the quarter. The entire Acquisitions and Servicing segment, which includes non-controlling interests, generated pretax income of $59 million in the quarter7, with net interest income of $92 million and a yield of 26.50%. Net finance receivables at quarter-end were $1.7 billion, down from $2.1 billion at September 30, 2014, and down from $1.8 billion at June 30, 2015. The principal balance of the portfolio was $2.2 billion at quarter-end versus $2.7 billion at September 30, 2014 and $2.3 billion at June 30, 2015.

The annualized net charge-off ratio improved to 4.39% in the quarter, versus 5.31% in the prior year quarter and 5.07% in the prior quarter.

The annualized gross charge-off ratio was 5.05% in the quarter, down 78 basis points from the prior year quarter and down 70 basis points from the second quarter 2015. Recoveries continued to improve in the quarter at 66 basis points versus 52 basis points in the prior year quarter.

The 60+ delinquency ratio for the Acquisitions and Servicing segment was 4.06% at the end of the quarter, a decrease of 105 basis points from the prior year quarter end, and up 31 basis points from the prior quarter end.

Non-Core Portfolio: (Reported on a historical accounting basis, which is a non-GAAP measure.)

Legacy Real Estate and Other Non-Core

The Non-Core Portfolio (consisting of legacy real estate loans) generated a pretax loss of $47 million in the quarter. The loss resulted primarily from the reduction in interest earning assets attributable to real estate sales completed in 2014. The sale proceeds, which have been allocated to the Non-Core portfolio, are expected to be used to fund the purchase of OneMain Financial Holdings, LLC ("OneMain") and/or for general corporate purposes. At closing, the majority of the debt allocated to the Non-Core Portfolio will be re-allocated to the Core Consumer segment. The real estate portfolio was $0.8 billion at quarter end, down from $1.2 billion at the prior year quarter end.

The Other Non-Core activities generated a pretax loss of $16 million9 in the quarter.

Liquidity and Capital Resources

As of September 30, 2015, the company had $4.9 billion of cash and highly liquid investment securities. The company had total outstanding debt of $9.6 billion at quarter-end, in a variety of debt instruments.

On May 4, 2015, the company issued approximately 19.4 million shares of common stock for net proceeds of approximately $976 million.10 The proceeds may be used to fund the acquisition of OneMain and/or for general corporate purposes, which may include debt repurchases and repayments, capital expenditures and other possible acquisitions.

2015 Guidance

The company has established 2015 guidance ranges for certain metrics related to its Core Consumer Operations as follows:

	3Q15 YTD A[1]	2015E Guidance
Consumer Net Finance Receivables at Period End[2]	$4.65bn	$4.85bn - $4.95bn
Consumer Yield	26.43%	26.00% - 26.25%
Consumer Net Charge-off Ratio	4.90%	5.00% - 5.25%
Consumer Risk-Adjusted Yield[3]	21.53%	20.75% - 21.25%
Acquisitions & Servicing Pretax Income[4]	$95mm	$115mm - $125mm

36. Also on November 9, 2015, Springleaf issued a quarterly report on Form 10-Q for the quarter ended September 30, 2015 (the "Q3 10-Q 2015"), which contained additional information as that described in the November 9, 2015 press release regarding the Company's third quarter financial results for 2015. The Q3 10-Q 2015 was signed by Minchung Kgil and also contained a signed certification pursuant to SOX by defendant Levine.

37. On February 25, 2016, after Springleaf closed the acquisition of OneMain Financial and had changed its name to OneMain, the Company issued a press release announcing its financial results for the fourth quarter of 2015. The press release stated, in pertinent part:

ONEMAIN HOLDINGS, INC. REPORTS FOURTH QUARTER 2015 RESULTS

Evansville, IN, February 25, 2016 - OneMain Holdings, Inc. (NYSE: OMF) today reported a GAAP basis net loss of $219 million, or ($1.63) per diluted share, for the fourth quarter of 2015.

After tax Core Earnings (a non-GAAP measure) for the quarter was $105 million, and after tax Core Earnings per Diluted Share (a non-GAAP measure) was $0.77. Weighted average diluted shares outstanding increased to 134.5 million for the fourth quarter of 2015 from 114.8 million for the prior year quarter as a result of the company's issuance of 19.4 million common shares on May 4, 2015.

38. In the February 25, 2016 press release, defendant Levine stated:

During the fourth quarter, we completed the most significant transaction in our company's long history - the acquisition of OneMain Financial. We have brought together two leading providers of personal loans, and we now serve almost 2.5 million customers through our nationwide footprint of over 1,800 branches. The new OneMain has the potential to drive strong overall returns through greater scale and enhanced credit performance.

2015 was a very successful year for us as we met or exceeded all of the company's performance goals, and we are well-positioned for continued success in 2016 as we execute on the very significant opportunities presented by the combination of the former Springleaf and OneMain.

Defendants Cause the Company to Issue
Materially Misleading Statements and/or Omit Material Information

39. On November 13, 2015, the Company issued a press release announcing that the antitrust issues previously holding up the acquisition of OneMain Financial by Springleaf had finally been resolved. The press release stated, in pertinent part:

> **Springleaf Holdings Reaches Settlement with the U.S. Department of Justice; Clears Way for Acquisition of OneMain Financial**
>
> **Expects 2017 Core Earnings of $830 - $900 Million**
>
> EVANSVILLE, Ind.--(BUSINESS WIRE)-- Springleaf Holdings, Inc. (NYSE:LEAF), a leading personal finance company providing loan products to customers nationwide, today announced that it has reached a settlement with the U.S. Department of Justice (DOJ) and the state Attorneys General of seven states that will allow the company to proceed with closing its previously announced acquisition of OneMain Financial Holdings, LLC. The details of the settlement have been filed with the U.S. District Court, Washington, D.C., whose approval of a stipulated asset preservation order is required prior to closing. The company anticipates obtaining that approval shortly and proceeding with closing immediately thereafter.
>
> Under the terms of the agreement with the DOJ and the state Attorneys General, Springleaf will sell 127 branches in 11 states. The company has entered into an agreement with Lendmark Financial Services of Covington, Georgia, to sell the branches to Lendmark. These branches represent 6% of the company's branches and $608 million, or 4%, of the company's receivables, on a pro forma basis for the combined company as of December 31, 2014. The sale to Lendmark is expected to close on or about April 1, 2016.

40. Defendant Levine – the Company's President and CEO – further described the positive prospects of the combined company moving forward and stated:

> The transformational combination of Springleaf and OneMain will create the premier personal finance business in the United States, with branches across 43 states and 2.4 million customers. This will be a company that we believe is

> financially strong, committed to responsible lending and positioned for future growth. In addition, we share similar cultures and values, including excellence in customer service and a deep commitment to the local communities that we serve. We look forward to welcoming OneMain's talented team members to the Springleaf family, and to creating even greater value for all stakeholders.
>
> ***Reflecting the significant earnings power of the new combined company, we expect to generate core net income of $830 million to $900 million, or $6.20 to $6.70 per share in 2017***.

(Emphasis added.)

41. On February 25, 2016, the Company issued a press release announcing its fourth quarter 2015 results. In the press release, OneMain reported GAAP basis net loss of $219 million, negative $1.63 per diluted share, for the fourth quarter of 2015.

42. In the February 25, 2016 press release, defendant Levine stated:

> During the fourth quarter, we completed the most significant transaction in our company's long history - the acquisition of OneMain Financial. We have brought together two leading providers of personal loans, and we now serve almost 2.5 million customers through our nationwide footprint of over 1,800 branches. The new OneMain has the potential to drive strong overall returns through greater scale and enhanced credit performance.
>
> 2015 was a very successful year for us as we met or exceeded all of the company's performance goals, and we are well-positioned for continued success in 2016 as we execute on the very significant opportunities presented by the combination of the former Springleaf and OneMain.

On February 29, 2016, the Company filed its annual report with the SEC on Form 10-K for the fiscal year ended December 31, 2015 (the "2015 10-K"), which contained, *inter alia*, information stated in the Company's February 25, 2016 press release regarding the OneMain's financial results for the fourth quarter of 2015. The 2015 10-K was signed by the Board of OneMain, including defendants Parker and Levine and also contained signed certifications pursuant to SOX by defendants Levine and Parker.

43. On May 4, 2016, OneMain issued a press release announcing its first quarter 2016

results. In the press release, OneMain reported GAAP net income of $153 million, or $1.13 per diluted share, for the first quarter of 2016. The May 4, 2016 press release stated:

> **Evansville, IN, May 4, 2016 -** OneMain Holdings, Inc. (NYSE: OMF) today reported GAAP basis net income of $153 million, or $1.13 per diluted share, for the first quarter of 2016. Net Income includes a $229 million pretax net gain on the previously announced sale of the company's interests in SpringCastle.
>
> After tax Core Earnings (a non-GAAP measure) for the first quarter of 2016 was $141 million, and after tax Core Earnings per Diluted Share (a non-GAAP measure) was $1.05. Weighted average diluted shares outstanding increased to 134.9 million for the first quarter of 2016 from 115.0 million for the prior year quarter as a result of the company's issuance of 19.4 million common shares on May 4, 2015.
>
> * * *
>
> **Core Consumer Operations: (Reported on a Segment Accounting Basis, which is a non-GAAP measure. Refer to the reconciliation of non-GAAP to comparable GAAP measures on page 10. Includes the results of OneMain Financial beginning November 1, 2015).**
>
> Consolidated Pretax Core Earnings (non-GAAP) was $227 million for the first quarter of 2016. The Consumer and Insurance segment contributed $203 million to Pretax Core Earnings for the first quarter. The Acquisitions and Servicing segment contributed $24 million to Pretax Core Earnings for the first quarter. Pretax Core Earnings excludes $28 million of acquisition-related transaction and integration expenses reported in the Consumer and Insurance segment. Also excluded are the net gain and transaction costs related to the sale of the company's interests in SpringCastle announced on March 31, 2016, loss on net repurchase and repayment of debt, and non-controlling interests.
>
> **Consumer and Insurance Segment (includes the results of OneMain Financial beginning November 1, 2015).**
>
> Consumer and Insurance pretax operating income was $167 million for the first quarter of 2016.
>
> Consumer net finance receivables reached $13.6 billion at March 31, 2016, and consumer net finance receivables per branch totaled $6.9 million at March 31, 2016.
>
> Net interest income was $674 million in the first quarter of 2016. Yield was 25.2% and risk adjusted yield was 17.7% in the first quarter of 2016.

The annualized net charge-off ratio was 7.5% in the first quarter of 2016.

The annualized gross charge-off ratio was 8.1% and the recovery ratio was 62 basis points in the first quarter of 2016.

The 60+ delinquency ratio was 2.8% at March 31, 2016.

Acquisitions and Servicing Segment

The Acquisitions and Servicing segment contributed $24 million to the company's Pretax Core Earnings in the first quarter of 2016. The entire Acquisitions and Servicing segment, which included non-controlling interests, generated pretax operating income of $278 million in the first quarter of 2016, with net interest income of $81 million and a yield of 26.6%. Net finance receivables at March 31, 2016 were zero as a result of the sale of the company's interests in SpringCastle.

The annualized net charge-off ratio was 4.7% in the first quarter of 2016, versus 5.4% in the prior year quarter and 4.6% in the prior quarter.

The annualized gross charge-off ratio was 5.4% in the quarter, down 70 basis points from the prior year quarter and up 5 basis points from the fourth quarter 2015. Recoveries were 71 basis points in the quarter versus 63 basis points in the prior year quarter.

Non-Core Portfolio: (Reported on a Segment Accounting Basis, which is a non-GAAP measure).

Legacy Real Estate and Other Non-Core

The Real Estate segment generated a pretax operating loss of $18 million in the first quarter of 2016. The loss resulted primarily from the reduction in interest earning assets attributable to real estate sales completed in 2014. Upon closing of the acquisition of OneMain, the majority of the debt allocated to the Real Estate segment and other non-core activities was re-allocated to the Consumer and Insurance segment. The real estate loan portfolio was $712 million at March 31, 2016, down from $840 million at the prior year quarter-end.

Our other non-core activities generated a pretax operating loss of $4 million in the first quarter of 2016.

Liquidity and Capital Resources

As of March 31, 2016, the company had $716 million of cash and cash equivalents, which included $450 million of available cash and highly liquid investment securities. The company had total outstanding debt of $14.9 billion at

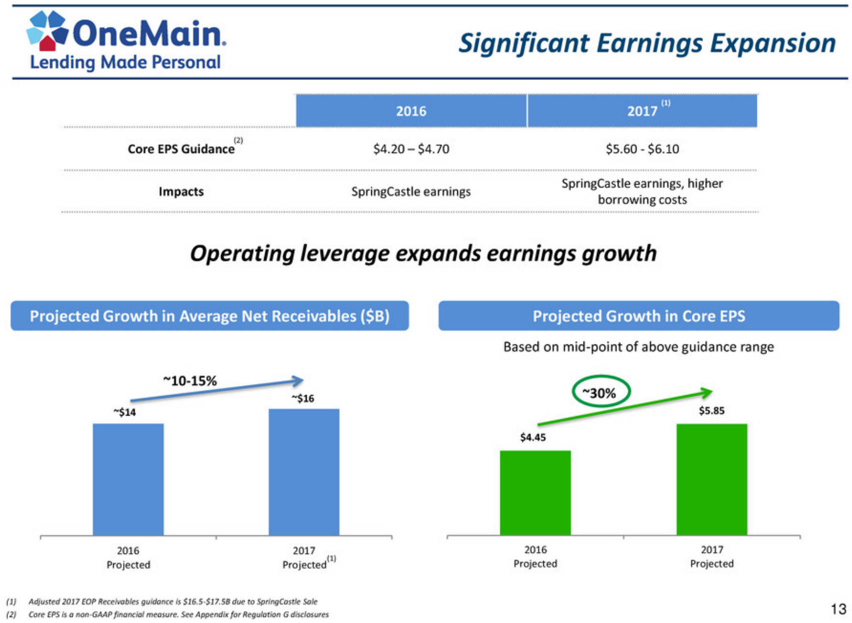
March 31, 2016, in a variety of debt instruments. As previously disclosed, the company completed the sale of 127 Springleaf Financial branches and certain related assets for proceeds of $624 million on May 2, 2016. In addition, on April 11, 2016, the company's subsidiary, Springleaf Finance Corporation ("SFC"), issued $1 billion of 8.25% senior notes due 2020 and used approximately $600M to repurchase certain of SFC's outstanding notes, primarily consisting of its 6.90% senior notes due December 2017.

44. In the May 4, 2016 press release, defendant Levine stated:

> This quarter represents the first full quarter since we completed the acquisition of OneMain, and we could not be more pleased with the results we have achieved thus far. The combination of Springleaf and OneMain has had an immediate, and very positive impact on our core earnings which, excluding SpringCastle, grew from $0.35 per share in last year's first quarter to $0.94 in this year's first quarter. We also made significant progress on driving incremental growth at the former OneMain, with higher levels of originations, particularly in the strategically key area of secured lending. ***Integration activities are on schedule, resulting in greater operational efficiencies, even as we continue to provide our customary high level of personalized service.***
>
> We also made material progress on strengthening our capital base, enhancing our liquidity and extending our debt maturities, all of which simplify our financial picture and help position us for sustained earnings growth and strong returns.

(Emphasis added.)

45. Also on May 4, 2016, the Company issued an earnings presentation for the first quarter results for 2016. The May 4, 2016 earnings presentation contained the following information concerning Core EPS guidance, growth in average net receivables and projected growth in Core EPS:



46. On May 6, 2016, the Company filed its quarterly report with the SEC on Form 10-Q for the quarter ended March 31, 2016 (the "Q1 10-Q 2016"), which contained, *inter alia*, information stated in the Company's May 4, 2016 press release regarding the OneMain's financial results for the first quarter of 2016. The Q1 10-Q 2016 was signed by defendant Parker and also contained signed certifications pursuant to SOX by defendants Levine and Parker.

47. On August 4, 2016, OneMain issued a press release announcing its financial results for the second quarter of 2016. In the press release, OneMain reported income before provision for income taxes of $42 million and net income of $26 million, or $0.19 per diluted share, for the second quarter of 2016. The August 4, 2016 press release stated:

> **Evansville, IN, August 4, 2016 -** OneMain Holdings, Inc. (NYSE: OMF) today reported income before provision for income taxes of $42 million and net income of $26 million, or $0.19 per diluted share, for the second quarter of 2016.
>
> * * *
>
> **Consumer and Insurance Segment**
>
> Consumer and Insurance adjusted earnings per diluted share was $0.96* for the

second quarter of 2016 versus $0.38* for the prior year quarter. Consumer and Insurance income before provision for income taxes on a Segment Accounting Basis was $206 million for the second quarter of 2016. Excluding certain acquisition-related transaction and integration expenses of $17 million, debt refinancing related charges of $9 million and a gain on sale of personal loans of $22 million, Consumer and Insurance adjusted pretax earnings were $210 million* and Consumer and Insurance adjusted net income was $130 million* for the second quarter of 2016.

Consumer and Insurance net finance receivables reached $13.3 billion at June 30, 2016, and Consumer and Insurance net finance receivables per branch totaled $7.2 million at June 30, 2016.

Consumer and Insurance net interest income was $646 million in the second quarter of 2016. Consumer and Insurance yield was 25.04% and risk adjusted yield, which represents yield less net charge-off ratio, was 18.09% in the second quarter of 2016.

The net charge-off ratio was 6.95% in the second quarter of 2016.

The gross charge-off ratio was 7.80% and the recovery ratio was 0.85% in the second quarter of 2016.

The 60+ delinquency ratio was 2.84% at June 30, 2016.

**Reported on an adjusted Segment Accounting Basis, which is a non-GAAP financial measure. Refer to the required reconciliations of non-GAAP to comparable GAAP measures at the end of this press release.*

Acquisitions and Servicing Segment

Acquisition and Servicing income before provision for income taxes on a Segment Accounting Basis was $1 million for the second quarter of 2016. The Acquisitions and Servicing segment contributed $2 million* to the company’s total adjusted pretax earnings in the second quarter of 2016. Acquisitions and Servicing net finance receivables at June 30, 2016 were zero as a result of the sale of the company’s interests in SpringCastle on March 31, 2016.

**Reported on an adjusted Segment Accounting Basis, which is a non-GAAP financial measure. Refer to the required reconciliations of non-GAAP to comparable GAAP measures at the end of this press release.*

Real Estate and Other

The Real Estate segment generated a loss before benefit from income taxes on a Segment Accounting Basis of $14 million in the second quarter of 2016. The Real Estate segment generated an adjusted pretax loss of $12 million* in the second quarter of 2016. The loss resulted primarily from the reduction in interest earning assets attributable to real estate sales completed in 2014. Upon closing of the acquisition of OneMain, the majority of the debt allocated to the Real Estate segment and other non-originating activities was re-allocated to the Consumer and Insurance segment. The carrying value of the real estate loan portfolio, including real estate loans held for sale, totaled $629 million at June 30, 2016, down from $778 million at the prior year quarter-end.

On August 3, 2016, the company sold a portfolio of second lien mortgage loans for aggregate cash proceeds of $246 million, which approximated the carrying value of such loans.

The Other non-originating activities generated a loss before benefit from income taxes on a Segment Accounting Basis of $9 million. Our Other non-originating activities generated an adjusted pretax loss of $3 million* in the second quarter of 2016.

**Reported on an adjusted Segment Accounting Basis, which is a non-GAAP financial measure. Refer to the required reconciliations of non-GAAP to comparable GAAP measures at the end of this press release.*

Liquidity and Capital Resources

As of June 30, 2016, the company had $742 million of cash and cash equivalents, which included $415 million of available cash and highly liquid investment securities. The company had total outstanding debt of $14.4 billion at June 30, 2016, in a variety of debt instruments. During the second quarter, the company completed the sale of 127 Springleaf branches and certain related assets for proceeds of $624 million on May 2, 2016. In addition, on April 11, 2016, the company's subsidiary, Springleaf Finance Corporation ("SFC"), issued $1 billion of 8.25% senior notes due 2020 and used $600 million to repurchase certain of SFC's outstanding notes, primarily consisting of its 6.90% senior notes due December 2017.

48. In the August 4, 2016 press release, defendant Levine stated:

Our second quarter results reflect the benefits of the ongoing transformation of our company as we continue to integrate the acquisition of OneMain. We had strong performance on credit, operating expenses, funding, and growth. Our Consumer and Insurance segment delivered strong results for the second quarter of 2016, reflecting the immediate and positive impact of the acquisition on our earnings, with adjusted earnings per diluted share for our Consumer and Insurance segment up 2.5 times versus last year.

(Emphasis added.)

49. Defendant Levine further commented on the integration of OneMain with

Springleaf, and stated, "[w]e also importantly made progress on strengthening our capital base, enhancing our liquidity, and diversifying our funding sources. ***As we continue to execute on the integration of the two companies, we are further strengthening our foundation for continued growth and strong returns***." (Emphasis added.)

50. On August 5, 2016, the Company filed its quarterly report with the SEC on Form 10-Q for the quarter ended June 30, 2016 (the "Q2 10-Q 2016"), which contained, *inter alia*, information stated in the Company's August 4, 2016 press release regarding the OneMain's financial results for the second quarter of 2016. The Q2 10-Q 2016 was signed by defendant Parker and also contained signed certifications pursuant to SOX by defendants Levine and Parker.

51. The statements referenced in ¶¶ 23 to 50 were materially false and/or misleading because they misrepresented and/or failed to disclose the following adverse facts pertaining to the Company's business, operational and financial results, which were known to defendants or recklessly disregarded by them. Specifically, defendants caused the Company to issue materially misleading representations and/or omit material information regarding: (i) the projected net income to be achieved by the Company following, and in large part due to, its acquisition of OneMain Financial; (ii) projections that synergies between the two companies (Springleaf and OneMain Financial) would result in a combined company that would be significantly more profitable than the sum of its two former component parts. As a result of the forgoing, OneMain's public statements were materially false and misleading and/or omitted material information during the Class Period.

52. Further, the above described false and misleading financial reports and releases all contained signed certification by the Individual Defendants pursuant to the Sarbanes-Oxley Act

of 2002 ("SOX"). The SOX certifications stated, among other things, that none of the reports contained any untrue statement of a material fact or omitted to state material facts necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements issued by the Company during the Class Period.

The Truth is Revealed

53. On November 7, 2016, the Company issued a press release announcing its third quarter 2016 results, in which Defendant Levine was quoted as follows:

> Our third quarter results reflect the progress we have made on our strategic priorities and the integration of OneMain. In fact, our Consumer and Insurance segment adjusted earnings per diluted share more than doubled from last year.
>
> We continued to grow receivables, manage credit risk, further strengthen our liquidity and balance sheet, and realize synergies from the acquisition of OneMain. We also accomplished the significant task of combining the two branch networks under a single brand, which will further enhance our name recognition and our ability to offer competitive products to our customers.

54. On November 8, 2016, the Company held a conference call for analysts and investors to discuss the Company's financial results for the third quarter of 2016. During the conference call, Defendant Levine stated that the Company was slashing guidance for full-year 2016 and 2017 with respect to the growth in its loan portfolios and its preferred measure of earnings. In particular, during the conference call, Defendant Levine stated that the Company would: (i) lower its guidance for its consumer insurance adjusted EPS for 2016 from $4.20 to $4.70 per share to a range of $3.60 to $3.70 per share; (ii) lower its guidance for its consumer insurance adjusted EPS for 2017 from $5.60 to $6.10 per share to a range of $3.75 to $4.00 per share; (iii) lower guidance for receivables growth in 2016 from 10-15% to 5%; and (iv) lower guidance for receivable growth in 2017 from 10-15% to 5-10%.

55. On this news, the Company's share price plummeted by $10.67 per share, or

approximately 38%, from $27.57 on November 7, 2016, to close at $16.90 per share on November 8, 2016.

56. On November 8, 2016, the *Motley Fool* issued an article discussing the Company's slash in guidance for the full-year 2016 and 2017 with respect to OneMain's loan portfolios and preferred measure of earnings. The article stated, in pertinent part:

Why Shares of OneMain Holdings Inc. Are Cratering Today

Blame a cut in guidance for the decline in OneMain Holding's share price. Shares of Fortress Investment Group, which owns a majority of the company in its managed funds, are following suit.

What's happening

Shares of OneMain Holdings Inc (NYSE:OMF) are down 38% as of 1:22 p.m. EST on Tuesday after the company slashed guidance in its third-quarter earnings. Meanwhile, shares of Fortress Investment Group (NYSE:FIG), which holds a majority stake in the company in its managed funds, are also down by about 3.5%.

So what

OneMain Holdings slashed guidance for the full-year 2016 and 2017 with respect to the growth in its loan portfolios and its preferred measure of earnings. The table below summarizes the change in guidance.

Metric	Previous Guidance	New Guidance
Receivables growth in 2016	10% to 15%	5%
Receivables growth in 2017	10% to 15%	5% to 10%
C&I adjusted diluted EPS in 2016	$4.20 to $4.70	$3.60 to $3.70
C&I adjusted diluted EPS in 2017	$5.60 to $6.10	$3.75 to $4.00

* * *

Now what

> The company was previously known as Springleaf. It adopted its new name after closing on the acquisition of OneMain -- then its biggest competitor -- in 2015. Integrating these two companies is proving to be a challenge.

SCIENTER ALLEGATIONS

57. As alleged herein, defendants acted with scienter since defendants knew that the public documents and statements issued or disseminated in the name of the Company were materially false and/or misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, defendants, by virtue of their receipt of information reflecting the true facts regarding OneMain, his/her control over, and/or receipt and/or modification of OneMain's allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning OneMain, participated in the fraudulent scheme alleged herein.

58. Defendants were motivated to materially misrepresent to the SEC and investors the true financial condition of the Company because this: (i) deceived the investing public regarding OneMain's business, operations, management and the intrinsic value of OneMain's revenues, assets and securities; (ii) enabled defendants to artificially inflate the price of OneMain securities; and (iii) caused Plaintiff and other members of the Class to purchase OneMain securities at artificially inflated prices.

NO SAFE HARBOR

59. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this complaint.

Many of the specific statements pleaded herein were not identified as "forward-looking statements" when made. To the extent there were any forward-looking statements, there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. Alternatively, to the extent that the statutory safe harbor does apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the particular speaker knew that the particular forward-looking statement was false, and/or the forward-looking statement was authorized and/or approved by an executive officer of OneMain who knew that the statement was false when made.

CLASS ACTION ALLEGATIONS

60. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired OneMain common shares traded on the New York Stock Exchange during the Class Period (the "Class"); and were damaged upon the revelation of the alleged corrective disclosures. Excluded from the Class are defendants herein, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

61. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, OneMain common shares were actively traded on the New York Stock Exchange. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes

that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by OneMain or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

62. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

63. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

64. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

a. whether the federal securities laws were violated by defendants' acts as alleged herein;

b. whether statements made by defendants to the investing public during the Class Period misrepresented material facts about the financial condition, business, operations and management of OneMain;

c. whether defendants' public statements to the investing public during the Class Period omitted material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading;

d. whether the Individual Defendants caused OneMain to issue false and misleading SEC filings and public statements during the Class Period;

e. whether defendants acted knowingly or recklessly in issuing false and misleading SEC filings and public statements during the Class Period;

f. whether the prices of OneMain common shares during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and

g. whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

65. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

66. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

a. defendants made public misrepresentations or failed to disclose material facts during the Class Period;

b. the omissions and misrepresentations were material;

c. OneMain common shares are traded in efficient markets;

d. the Company's shares were liquid and traded with moderate to heavy volume during the Class Period;

e. the Company traded on the New York Stock Exchange, and was covered by multiple analysts;

f. the misrepresentations and omissions alleged would tend to induce a reasonable investor to misjudge the value of the Company's common shares; and

g. Plaintiff and members of the Class purchased and/or sold OneMain common shares between the time the defendants failed to disclose or misrepresented material facts and the time the true facts were disclosed, without knowledge of the omitted or misrepresented facts.

67. Based upon the foregoing, Plaintiff and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

68. Alternatively, Plaintiff and the members of the Class are entitled to the presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of the State of Utah v. United States*, 406 U.S. 128, 92 S. Ct. 2430 (1972), as Defendants omitted material information in their Class Period statements in violation of a duty to disclose such information, as detailed above.

COUNT I

Violation of Section 10b of the Exchange Act and Rule 10b-5 Against all Defendants

69. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

70. This Count is asserted against OneMain and the Individual Defendants and is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

71. During the Class Period, OneMain and the Individual Defendants, individually and in concert, directly or indirectly, disseminated or approved the false statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

72. OneMain and the Individual Defendants violated §10(b) of the 1934 Act and Rule 10b-5 in that they:

a. employed devices, schemes and artifices to defraud;

b. made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and/or

c. engaged in acts, practices and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of OneMain common shares during the Class Period.

73. OneMain and the Individual Defendants acted with scienter in that they knew that the public documents and statements issued or disseminated in the name of OneMain were materially false and misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated, or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the securities laws. These defendants by virtue of their receipt of information reflecting the true facts of OneMain, their control over, and/or receipt and/or modification of OneMain allegedly materially misleading statements, and/or their associations with the Company which made them privy to confidential proprietary information concerning OneMain, participated in the fraudulent scheme alleged herein.

74. Individual Defendants, who are the senior officers and/or directors of the Company, had actual knowledge of the material omissions and/or the falsity of the material statements set forth above, and intended to deceive Plaintiff and the other members of the Class, or, in the alternative, acted with reckless disregard for the truth when they failed to ascertain and disclose the true facts in the statements made by them or other OneMain personnel to members of the investing public, including Plaintiff and the Class.

75. As a result of the foregoing, the market price of OneMain common shares was artificially inflated during the Class Period. In ignorance of the falsity of the Company’s and the Individual Defendants’ statements, Plaintiff and the other members of the Class relied on the statements described above and/or the integrity of the market price of OneMain common shares during the Class Period in purchasing OneMain common shares at prices that were artificially inflated as a result of OneMain’s and the Individual Defendants’ false and misleading statements.

76. Had Plaintiff and the other members of the Class been aware that the market price of OneMain common shares had been artificially and falsely inflated by OneMain's and the Individual Defendants' misleading statements and by the material adverse information which OneMain's and the Individual Defendants did not disclose, they would not have purchased OneMain's common shares at the artificially inflated prices that they did, or at all.

77. As a result of the wrongful conduct alleged herein, Plaintiff and other members of the Class have suffered damages in an amount to be established at trial.

78. By reason of the foregoing, OneMain and the Individual Defendants have violated Section 10(b) of the 1934 Act and Rule 10b-5 promulgated thereunder and are liable to the plaintiff and the other members of the Class for substantial damages which they suffered in connection with their purchase of OneMain common shares during the Class Period.

COUNT II

Violation of Section 20(a) of the Exchange Act Against the Individual Defendants and Fortress

79. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

80. During the Class Period, the Individual Defendants and Fortress participated in the operation and management of OneMain, and conducted and participated, directly and indirectly, in the conduct of OneMain's business affairs. Because of their senior positions and positions as controlling shareholders, they knew the adverse non-public information regarding the integration of the combined company prior to and following the acquisition by Springleaf of OneMain Financial and the false and misleading statements concerning the Company's revenues throughout the Class Period.

81. Throughout the Relevant Period, Defendant Fortress owned over 50% of the

Company’s stock and was a controlling shareholder.

82. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information with respect to OneMain’s financial condition and results of operations, and to correct promptly any public statements issued by OneMain which had become materially false or misleading.

83. Because of their positions of control and authority as senior officers and/or controlling shareholders, the Individual Defendants and affiliates of Fortress were able to, and did, control the contents of the various reports, press releases and public filings which OneMain disseminated in the marketplace during the Class Period.

84. Throughout the Class Period, the Individual Defendants and Fortress exercised their power and authority to cause OneMain to engage in the wrongful acts complained of herein. The Individual Defendants therefore, were “controlling persons” of OneMain within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of OneMain common shares.

85. By reason of the above conduct, the Individual Defendants and Fortress are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by OneMain.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment against Defendants as follows:

A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiff as the Class representative;

B. Requiring Defendants to pay damages sustained by Plaintiff and the Class by reason of the acts and transactions alleged herein;

C. Awarding Plaintiff and the other members of the Class prejudgment and post-judgment interest, as well as their reasonable attorneys' fees, expert fees and other costs; and

D. Awarding such other and further relief as this Court may deem just and proper.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury.