UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2014

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-36129

SPRINGLEAF HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**27-3379612**
(State of Incorporation)	(I.R.S. Employer Identification No.)
601 N.W. Second Street, Evansville, IN	**47708**
(Address of principal executive offices)	(Zip Code)

(812) 424-8031

(Registrant s telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer o	Accelerated filer o	Non-accelerated filer x (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

At May 15, 2014, there were 114,832,895 shares of the registrant s common stock, $.01 par value, outstanding.

TABLE OF CONTENTS

PART I   FINANCIAL INFORMATION

Item 1.	Financial Statements (Unaudited)	
	Condensed Consolidated Balance Sheets	3
	Condensed Consolidated Statements of Operations	4
	Condensed Consolidated Statements of Comprehensive Income (Loss)	5
	Condensed Consolidated Statements of Shareholders Equity	6
	Condensed Consolidated Statements of Cash Flows	7
	Notes to Condensed Consolidated Financial Statements	9
Item 2.	Management s Discussion and Analysis of Financial Condition and Results of Operations	45
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	73
Item 4.	Controls and Procedures	73

PART II   OTHER INFORMATION

Item 1.	Legal Proceedings	74
Item 1A.	Risk Factors	74
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	74
Item 3.	Defaults Upon Senior Securities	74
Item 4.	Mine Safety Disclosures	74
Item 5.	Other Information	74
Item 6.	Exhibits	74

Table of Contents

PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

SPRINGLEAF HOLDINGS, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets (Unaudited)

(dollars in thousands)	March 31, 2014	December 31, 2013
Assets		
Cash and cash equivalents	**$ 764,163**	$ 431,409
Investment securities	**635,043**	582,090
Net finance receivables:		
Personal loans (includes loans of consolidated VIEs of $1.8 billion in 2014 and $1.6 billion in 2013)	**3,182,869**	3,171,704
SpringCastle Portfolio (includes loans of consolidated VIEs of $2.3 billion in 2014 and $2.5 billion in 2013)	**2,342,575**	2,505,349
Real estate loans (includes loans of consolidated VIEs of $4.8 billion in 2014 and $5.7 billion in 2013)	**6,968,408**	7,982,349
Retail sales finance	**82,197**	98,911
Net finance receivables	**12,576,049**	13,758,313
Allowance for finance receivable losses (includes allowance of consolidated VIEs of $154.8 million in 2014 and $153.7 million in 2013)	**(365,894)**	(333,325)
Net finance receivables, less allowance for finance receivable losses	**12,210,155**	13,424,988
Restricted cash (includes restricted cash of consolidated VIEs of $503.1 million in 2014 and $522.8 million in 2013)	**518,100**	536,005
Other assets	**394,904**	428,194
Total assets	**$ 14,522,365**	$ 15,402,686
Liabilities and Shareholders Equity		
Long-term debt (includes debt of consolidated VIEs of $7.0 billion in 2014 and $7.3 billion in 2013)	**$ 11,738,674**	$ 12,769,036
Insurance claims and policyholder liabilities	**394,132**	394,168
Deferred and accrued taxes	**169,820**	145,520
Other liabilities	**257,828**	207,334
Total liabilities	**12,560,454**	13,516,058
Shareholders equity:		
Common stock	**1,148**	1,148
Additional paid-in capital	**525,669**	524,087
Accumulated other comprehensive income	**33,164**	28,095
Retained earnings	**1,039,014**	986,690
Springleaf Holdings, Inc. shareholders equity	**1,598,995**	1,540,020
Non-controlling interests	**362,916**	346,608

Total shareholders equity		**1,961,911**		1,886,628
Total liabilities and shareholders equity	**$**	**14,522,365**	$	15,402,686

See Notes to Condensed Consolidated Financial Statements.

Table of Contents

SPRINGLEAF HOLDINGS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Operations (Unaudited)

(dollars in thousands except earnings (loss) per share) Three Months Ended March 31,	2014	2013
Interest income	$ 552,637	$ 413,038
Interest expense	205,420	231,293
Net interest income	347,217	181,745
Provision for finance receivable losses	160,878	94,486
Net interest income after provision for finance receivable losses	186,339	87,259
Other revenues:		
Insurance	38,419	32,900
Investment	9,461	10,124
Net loss on repurchases and repayments of debt	(6,615)	
Net loss on fair value adjustments on debt	(16,867)	(241)
Net gain on sales of real estate loans and related trust assets	55,186	
Other	1,820	873
Total other revenues	81,404	43,656
Other expenses:		
Operating expenses:		
Salaries and benefits	92,519	78,428
Other operating expenses	57,709	51,610
Insurance losses and loss adjustment expenses	18,365	14,754
Total other expenses	168,593	144,792
Income (loss) before provision for (benefit from) income taxes	99,150	(13,877)
Provision for (benefit from) income taxes	30,518	(4,263)
Net income (loss)	68,632	(9,614)
Net income attributable to non-controlling interests	16,308	
Net income (loss) attributable to Springleaf Holdings, Inc.	$ 52,324	$ (9,614)
Share Data:		
Weighted average number of shares outstanding:		
Basic	114,788,439	100,000,000
Diluted	115,144,858	100,000,000
Earnings (loss) per share:		
Basic	$ 0.46	$ (0.10)
Diluted	$ 0.45	$ (0.10)

See Notes to Condensed Consolidated Financial Statements.

Table of Contents

SPRINGLEAF HOLDINGS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)

(dollars in thousands) Three Months Ended March 31,	2014	2013
Net income (loss)	**$ 68,632**	$ (9,614)
Other comprehensive income (loss):		
Net unrealized gains (losses) on:		
Investment securities on which other-than- temporary impairments were taken	**(307)**	(23)
All other investment securities	**10,139**	(1,259)
Foreign currency translation adjustments	**(127)**	2,114
Income tax effect:		
Net unrealized (gains) losses on:		
Investment securities on which other-than- temporary impairments were taken	**107**	8
All other investment securities	**(3,549)**	450
Other comprehensive income, net of tax, before reclassification adjustments	**6,263**	1,290
Reclassification adjustments included in net income (loss):		
Net realized gains on investment securities	**(1,837)**	(575)
Cash flow hedges		(160)
Income tax effect:		
Net realized gains on investment securities	**643**	201
Cash flow hedges		56
Reclassification adjustments included in net income (loss), net of tax	**(1,194)**	(478)
Other comprehensive income, net of tax	**5,069**	812
Comprehensive income (loss)	**73,701**	(8,802)
Comprehensive income attributable to non-controlling interests	**16,308**	
Comprehensive income (loss) attributable to Springleaf Holdings, Inc.	**$ 57,393**	$ (8,802)

See Notes to Condensed Consolidated Financial Statements.

Table of Contents

SPRINGLEAF HOLDINGS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Shareholders Equity (Unaudited)

	Springleaf Holdings, Inc. Shareholders Equity						
(dollars in thousands)	**Common Stock**	**Additional Paid-in Capital**	**Accumulated Other Comprehensive Income (Loss)**	**Retained Earnings**	**Springleaf Holdings, Inc. Shareholders Equity**	**Non-controlling Interests**	**Total Shareholders Equity**
Balance, January 1, 2014	**$ 1,148**	**$ 524,087**	**$ 28,095**	**$ 986,690**	**$ 1,540,020**	**$ 346,608**	**$ 1,886,628**
Share-based compensation expense, net of forfeitures		**1,582**			**1,582**		**1,582**
Change in net unrealized gains:							
Investment securities			**5,196**		**5,196**		**5,196**
Foreign currency translation adjustments			**(127)**		**(127)**		**(127)**
Net income				**52,324**	**52,324**	**16,308**	**68,632**
Balance, March 31, 2014	$ **1,148**	$ **525,669**	$ **33,164**	$ **1,039,014**	$ **1,598,995**	$ **362,916**	$ **1,961,911**
Balance, January 1, 2013	$ 1,000	$ 147,459	$ 26,472	$ 1,005,991	$ 1,180,922	$	$ 1,180,922
Change in net unrealized losses:							
Investment securities			(1,198)		(1,198)		(1,198)
Cash flow hedges			(104)		(104)		(104)
Foreign currency translation adjustments			2,114		2,114		2,114
Net loss				(9,614)	(9,614)		(9,614)
Balance, March 31, 2013	$ 1,000	$ 147,459	$ 27,284	$ 996,377	$ 1,172,120	$	$ 1,172,120

See Notes to Condensed Consolidated Financial Statements.

Table of Contents

SPRINGLEAF HOLDINGS, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows (Unaudited)

(dollars in thousands) Three Months Ended March 31,	2014	2013
Cash flows from operating activities		
Net income (loss)	**$ 68,632**	$ (9,614)
Reconciling adjustments:		
Provision for finance receivable losses	**160,878**	94,486
Depreciation and amortization	**(10,870)**	19,303
Deferred income tax benefit	**(89,429)**	(16,615)
Net gain on sales of real estate loans and related trust assets	**(55,186)**	
Writedowns and net loss on sales of real estate owned	**1,377**	886
Net loss on repurchases and repayments of debt	**6,615**	
Net loss on fair value adjustments on debt	**16,867**	241
Share-based compensation expense, net of forfeitures	**1,582**	
Other	**(1,837)**	(864)
Cash flows due to changes in:		
Other assets and other liabilities	**56,743**	40,893
Insurance claims and policyholder liabilities	**(36)**	(3,288)
Taxes receivable and payable	**118,698**	11,226
Accrued interest and finance charges	**2,122**	(8,165)
Restricted cash	**(3,958)**	(1,277)
Other, net	**(174)**	459
Net cash provided by operating activities	**272,024**	127,671
Cash flows from investing activities		
Finance receivables originated or purchased, net of deferred origination costs	**(522,319)**	(442,623)
Principal collections on finance receivables	**804,643**	672,964
Sales and principal collections on finance receivables held for sale originated as held for investment	**816,250**	
Available-for-sale investment securities purchased	**(90,021)**	(186,524)
Trading investment securities purchased	**(22,284)**	(982)
Available-for-sale investment securities called, sold, and matured	**63,007**	416,788
Trading investment securities called, sold, and matured	**5,578**	1,085
Change in restricted cash	**1,644**	(62,719)
Proceeds from sale of real estate owned	**21,952**	35,803
Other, net	**(5,297)**	(777)
Net cash provided by investing activities	**1,073,153**	433,015
Cash flows from financing activities		
Proceeds from issuance of long-term debt, net of commissions	**573,119**	562,159
Repayment of long-term debt	**(1,585,664)**	(653,020)
Net cash used for financing activities	**(1,012,545)**	(90,861)

Table of Contents

Condensed Consolidated Statements of Cash Flows (Unaudited) (Continued)

(dollars in thousands) Three Months Ended March 31,		2014		2013
Effect of exchange rate changes		**122**		(1,682)
Net change in cash and cash equivalents		**332,754**		468,143
Cash and cash equivalents at beginning of period		**431,409**		1,554,348
Cash and cash equivalents at end of period	**$**	**764,163**	$	2,022,491
Supplemental non-cash activities				
Transfer of finance receivables to real estate owned	**$**	**16,828**	$	25,019
Transfer of finance receivables held for investment to finance receivables held for sale (prior to deducting allowance for finance receivable losses)		**835,329**		

See Notes to Condensed Consolidated Financial Statements.

Table of Contents

SPRINGLEAF HOLDINGS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited)

March 31, 2014

1. Business and Summary of Significant Accounting Policies

Springleaf Holdings, Inc. (SHI or, collectively with its subsidiaries, whether directly or indirectly owned, Springleaf, the Company, we, us, or our) is a Delaware corporation, primarily owned by Springleaf Financial Holdings, LLC (the Initial Stockholder).

Following a series of restructuring transactions completed on October 9, 2013, in connection with the initial public offering of common stock of SHI, all of the common stock of Springleaf Finance, Inc. (SFI) is owned by SHI. On October 21, 2013, SHI completed the initial public offering of its common stock. At March 31, 2014, the Initial Stockholder owned approximately 75% of SHI s common stock. The Initial Stockholder is owned primarily by a private equity fund managed by an affiliate of Fortress Investment Group LLC (Fortress) and AIG Capital Corporation, a subsidiary of American International Group, Inc. (AIG). Prior to the initial public offering of SHI s common stock described below, FCFI Acquisition LLC (FCFI), an affiliate of Fortress, owned an 80% economic interest in SHI and AIG indirectly owned a 20% economic interest in SHI.

SHI is a financial services holding company whose principal subsidiary is SFI. SFI s principal subsidiary is Springleaf Finance Corporation (SFC), a financial services holding company with subsidiaries engaged in the consumer finance and credit insurance businesses.

BASIS OF PRESENTATION

We prepared our condensed consolidated financial statements using generally accepted accounting principles in the United States of America (U.S. GAAP). These statements are unaudited. The year-end condensed balance sheet data was derived from our audited financial statements, but does not include all disclosures required by U.S. GAAP. The statements include the accounts of SHI, its subsidiaries (all of which are wholly owned, except for certain subsidiaries in which we own a 47% equity interest), and variable interest entities (VIEs) in which we hold a controlling financial interest as of the financial statement date.

We eliminated all material intercompany accounts and transactions. We made judgments, estimates, and assumptions that affect amounts reported in our condensed consolidated financial statements and disclosures of contingent assets and liabilities. In management s opinion, the condensed consolidated financial statements include the normal, recurring adjustments necessary for a fair statement of results. Ultimate results could differ from our estimates. We evaluated the effects of and the need to disclose events that occurred subsequent to the balance sheet date. These statements should be read in conjunction with the consolidated financial statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013 (2013 Annual Report on Form 10-K). We follow the same significant accounting policies for our interim reporting.

In connection with SHI s initial public offering of its common stock previously discussed, SFI became a wholly owned subsidiary of SHI. As a result, the financial statements of SFI have been adjusted on a retrospective basis, as appropriate, as financial statements of SHI.

Prior Period Revisions

As disclosed in our 2013 Annual Report on Form 10-K, we identified certain out-of-period errors in preparing our annual consolidated financial statements for the year ended December 31, 2013. In addition to these errors, we had previously recorded and disclosed out-of-period adjustments in prior reporting periods when the errors were discovered. As a result, we revised all previously reported periods included in our 2013 Annual Report on Form 10-K. We corrected the errors identified in the fourth quarter of 2013 and included these corrections in the appropriate prior periods. In addition, we reversed all out-of period adjustments previously recorded and disclosed, and included the adjustments in the appropriate periods. After evaluating the quantitative and qualitative aspects of these corrections, we have determined that our previous applicable quarterly condensed financial statements and our annual consolidated financial statements were not materially misstated. However, the financial data for the first quarter of 2013 included in this report has not been previously reported.

In addition, during the first quarter of 2014 we identified that the disclosure of the allowance for finance receivable losses related to our securitized finance receivables at December 31, 2013, was previously incorrectly overstated by $26.8 million. The parenthetical disclosure of the allowance of consolidated VIEs as of December 31, 2013 on our condensed consolidated balance sheet and the related VIE disclosures in Notes 3 and 8 have been revised in this report to $153.7 million.

During the first quarter of 2014, we also discovered that our long-term debt associated with securitizations that were issued at a discount and which had embedded derivatives, was incorrectly excluded from the fair value disclosure of our financial instruments measured on a recurring basis. The affected fair value amount has been corrected in Note 17 in this report to include the fair value of our long-term debt measured on a recurring basis of $363.7 million at December 31, 2013.

Fortress Acquisition

Due to the significance of the ownership interest acquired by FCFI, an affiliate of Fortress, (the Fortress Acquisition), the nature of the transaction, and at the direction of our acquirer, we applied push-down accounting to SFI as an acquired business. We revalued our assets and liabilities based on their fair values at the date of the Fortress Acquisition, November 30, 2010, in accordance with business combination accounting standards (push-down accounting).

SIGNIFICANT 2014 TRANSACTIONS

Sale of 2009-1 Retained Certificates

On July 30, 2009, we completed a private securitization transaction in which a wholly owned special purpose vehicle sold $1.2 billion of certificates backed by real estate loans of the American General Mortgage Loan Trust 2009-1 (the 2009-1 Trust). We initially retained $786.3 million of the 2009-1 Trust s subordinate mortgage-backed certificates (the 2009-1 Retained Certificates).

On March 1, 2014, the real estate loans included in the transaction were transferred from held for investment to held for sale, due to management s intent to no longer hold these finance receivables for the foreseeable future. These loans had a carrying value of $742.0 million at the date of sale and were initially included in net finance receivables.

We completed the sale of the 2009-1 Retained Certificates on March 31, 2014. As a result of the sale, we deconsolidated the underlying real estate loans and previously issued securitized interests which were reported in long-term debt, as we no longer were considered the primary beneficiary.

Sale of Real Estate Loans

On March 7, 2014, we entered into an agreement to sell, subject to certain closing conditions, performing and non-performing real estate loans. As noted in our 2013 Annual Report on Form 10-K, we completed this sale on March 31, 2014. The real estate loans included in the transaction had a carrying value of $93.3 million at the date of sale. On March 1, 2014, these loans were transferred from held for investment to held for sale, due to management s intent to no longer hold these finance receivables for the foreseeable future.

Table of Contents

ACCOUNTING PRONOUNCEMENTS ADOPTED

Income Taxes

In July 2013, the Financial Accounting Standards Board (FASB) issued an accounting standards update (ASU), ASU 2013-11, *Income Taxes (Topic 740)*, which clarifies the presentation requirements of unrecognized tax benefits when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists at the reporting date. The amendments in this ASU became effective prospectively for the Company for fiscal years, and interim periods within those years, beginning after December 15, 2013. The adoption of this ASU did not have a material effect on our consolidated statements of financial condition, results of operations, or cash flows.

ACCOUNTING PRONOUNCEMENTS TO BE ADOPTED

Troubled Debt Restructurings

In January 2014, the FASB issued ASU 2014-4, *Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans upon Foreclosure*, which clarifies when an in substance repossession or foreclosure occurs that is, when a creditor should be considered to have received physical possession of residential real estate property collateralizing a consumer mortgage loan such that the loan receivable should be derecognized and the real estate property recognized. The ASU requires a creditor to reclassify a collateralized consumer mortgage loan to real estate property upon obtaining legal title to the real estate collateral, or the borrower voluntarily conveying all interest in the real estate property to the lender to satisfy the loan through a deed in lieu of foreclosure or similar legal agreement. The ASU is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2014. We are currently evaluating whether the adoption of this ASU will have a material effect on our consolidated statements of financial condition, results of operations, or cash flows.

ACCOUNTING POLICY ELECTIONS

We made certain policy elections with regard to the issuance of long-term debt related to the 2014-A securitization and have updated our long-term debt policy previously disclosed in our 2013 Annual Report on Form 10-K to reflect these elections. The updated long-term debt policy is presented below:

Long-term Debt

We generally report our long-term debt issuances at the face value of the debt instrument, which we adjust for any unaccreted discount or unamortized premium associated with the debt. We make policy elections on a security by security basis with regard to the methodology used to accrete discounts and premiums. Other than securitized products, we generally accrete discounts and premiums over the contractual life of the security using contractual payment terms. With respect to securitized products, we have historically elected to use estimated prepayment patterns adjusted for changes in estimate over the estimated life of the debt. However, in certain circumstances, including our policy election for the 2014-A securitization, we elect to amortize deferred items over the contractual life of the security. Under either treatment, such accretion is recorded to interest expense. Additionally, we generally accrete other deferred amounts (e.g. issuance costs) following the same method elected on the associated unaccreted discount or premium.

Table of Contents

2. Finance Receivables

Our finance receivable types include personal loans, SpringCastle Portfolio, real estate loans, and retail sales finance as defined below:

- ***Personal loans*** are secured by consumer goods, automobiles, or other personal property or are unsecured, generally have maximum original terms of four years, and are usually fixed-rate, fixed-term loans. At March 31, 2014, $1.4 billion of personal loans, or 45%, were secured by collateral consisting of titled personal property (such as automobiles), $1.3 billion, or 39%, were secured by consumer household goods or other items of personal property, and the remainder was unsecured. We require credit-related property and casualty insurance, when needed, to protect our interest in the property pledged as collateral.

- ***SpringCastle Portfolio*** are loans jointly acquired from HSBC Finance Corporation and certain of its affiliates (collectively, HSBC) on April 1, 2013 through a joint venture in which we own a 47% equity interest. These loans include unsecured loans and loans secured by subordinate residential real estate mortgages (which we service as unsecured loans due to the fact that the liens are subordinated to superior ranking security interests). The SpringCastle Portfolio includes both closed-end accounts and open-end lines of credit. These loans are in a liquidating status and vary in substance and form from our originated loans.

- ***Real estate loans*** are secured by first or second mortgages on residential real estate, generally have maximum original terms of 360 months, and are usually considered non-conforming. Real estate loans may be closed-end accounts or open-end home equity lines of credit and are primarily fixed-rate products.

- ***Retail sales finance*** includes retail sales contracts and revolving retail accounts. Retail sales contracts are closed-end accounts that represent a single purchase transaction. Revolving retail accounts are open-end accounts that can be used for financing repeated purchases from the same merchant. Retail sales contracts are secured by the personal property designated in the contract and generally have maximum original terms of 60 months. Revolving retail accounts are secured by the goods purchased and generally require minimum monthly payments based on the amount financed calculated after the most recent purchase or outstanding balances. In January 2013, we ceased purchasing retail sales contracts and revolving retail accounts.

Table of Contents

Components of net finance receivables by type were as follows:

(dollars in thousands)	Personal Loans	SpringCastle Portfolio	Real Estate Loans	Retail Sales Finance	Total
March 31, 2014					
Gross receivables*	**$ 3,662,096**	**$ 2,323,074**	**$ 6,933,465**	**$ 90,156**	**$ 13,008,791**
Unearned finance charges and points and fees	**(561,995)**		**(792)**	**(8,636)**	**(571,423)**
Accrued finance charges	**44,475**	**19,501**	**35,468**	**677**	**100,121**
Deferred origination costs	**38,293**		**267**		**38,560**
Total	**$ 3,182,869**	**$ 2,342,575**	**$ 6,968,408**	**$ 82,197**	**$ 12,576,049**
December 31, 2013					
Gross receivables*	$ 3,644,030	$ 2,484,719	$ 7,940,500	$ 108,457	$ 14,177,706
Unearned finance charges and points and fees	(560,104)		(1,115)	(10,444)	(571,663)
Accrued finance charges	48,179	20,630	42,690	898	112,397
Deferred origination costs	39,599		274		39,873
Total	$ 3,171,704	$ 2,505,349	$ 7,982,349	$ 98,911	$ 13,758,313

* Gross receivables are defined below:

- ***finance receivables purchased as a performing receivable*** gross finance receivables equal the unpaid principal balance (UPB) for interest bearing accounts and the gross remaining contractual payments for precompute accounts plus the remaining unearned discount, net of premium established at the time of purchase to reflect the finance receivable balance at its fair value;

- ***finance receivables originated subsequent to the Fortress Acquisition*** gross finance receivables equal the UPB for interest bearing accounts and the gross remaining contractual payments for precompute accounts; and

- ***purchased credit impaired finance receivables*** gross finance receivables equal the remaining estimated cash flows less the current balance of accretable yield on the purchased credit impaired accounts.

Included in the table above are personal loans totaling $1.8 billion at March 31, 2014 and $1.6 billion at December 31, 2013, SpringCastle Portfolio loans totaling $2.3 billion at March 31, 2014 and $2.5 billion at December 31, 2013, and real estate loans totaling $4.8 billion at March 31, 2014 and $5.7 billion at December 31, 2013 associated with securitizations that remain on our balance sheet. The carrying amount of consolidated long-term debt associated with securitizations totaled $7.0 billion at March 31, 2014 and $7.3 billion at December 31, 2013. See Note 8 for further discussion regarding our securitization transactions. Also included in the table above are finance receivables totaling $1.0 billion at December 31, 2013, which were pledged as collateral for our secured term loan, which we fully repaid in March 2014. See Note 7 for further discussion of the repayment of our secured term loan.

Unused lines of credit extended to customers by the Company were as follows:

(dollars in thousands)		March 31, 2014		December 31, 2013
Personal loans	**$**	**2,384**	$	4,996
SpringCastle Portfolio		**367,086**		366,060
Real estate loans		**30,627**		32,338
Total	**$**	**400,097**	$	403,394

Unused lines of credit on our personal loans can be suspended if one of the following occurs: the value of the collateral declines significantly; we believe the borrower will be unable to fulfill the repayment obligations; or any other default by the borrower of any material obligation under the agreement. Unused lines of credit on our real estate loans and the SpringCastle Portfolio secured by subordinate residential real estate mortgages can be suspended if one of the following occurs: (1) the value of the real estate declines significantly below the property s initial appraised value; (2) we believe the borrower will be

Table of Contents

unable to fulfill the repayment obligations because of a material change in the borrower s financial circumstances; or (3) any other default by the borrower of any material obligation under the agreement occurs. Unused lines of credit on home equity lines of credit, including the SpringCastle Portfolio secured by subordinate residential real estate mortgages, can be terminated for delinquency. Unused lines of credit on the unsecured loans of the SpringCastle Portfolio can be terminated at our discretion.

CREDIT QUALITY INDICATORS

We consider the delinquency status and nonperforming status of the finance receivable as our credit quality indicators.

We accrue finance charges on revolving retail finance receivables up to the date of charge-off at 180 days past due. We had $0.3 million of revolving retail finance receivables that were more than 90 days past due and still accruing finance charges at March 31, 2014, compared to $0.4 million at December 31, 2013. Our personal loans, SpringCastle Portfolio, and real estate loans do not have finance receivables that were more than 90 days past due and still accruing finance charges.

Delinquent Finance Receivables

We consider the delinquency status of the finance receivable as our primary credit quality indicator. We monitor delinquency trends to manage our exposure to credit risk. We consider finance receivables 60 days or more past due as delinquent and consider the likelihood of collection to decrease at such time.

The following is a summary of net finance receivables by type by days delinquent:

(dollars in thousands)	**Personal Loans**	**SpringCastle Portfolio**	**Real Estate Loans**	**Retail Sales Finance**	**Total**
March 31, 2014					
Net finance receivables:					
60-89 days past due	**$ 22,552**	**$ 38,619**	**$ 95,727**	**$ 889**	**$ 157,787**
90-119 days past due	**20,145**	**29,966**	**52,280**	**665**	**103,056**
120-149 days past due	**18,919**	**24,309**	**47,002**	**823**	**91,053**
150-179 days past due	**16,877**	**23,808**	**39,938**	**555**	**81,178**
180 days or more past due	**1,936**	**5,236**	**330,300**	**234**	**337,706**
Total delinquent finance receivables	**80,429**	**121,938**	**565,247**	**3,166**	**770,780**
Current	**3,064,712**	**2,151,291**	**6,226,194**	**77,527**	**11,519,724**
30-59 days past due	**37,728**	**69,346**	**176,967**	**1,504**	**285,545**
Total	**$ 3,182,869**	**$ 2,342,575**	**$ 6,968,408**	**$ 82,197**	**$ 12,576,049**
December 31, 2013					

Net finance receivables:					
60-89 days past due	$ 28,504	$ 60,669	$ 97,567	$ 1,290	$ 188,030
90-119 days past due	22,804	47,689	68,190	1,017	139,700
120-149 days past due	18,780	33,671	55,222	757	108,430
150-179 days past due	14,689	26,828	45,158	740	87,415
180 days or more past due	938	3,579	356,766	173	361,456
Total delinquent finance receivables	85,715	172,436	622,903	3,977	885,031
Current	3,038,307	2,232,965	7,183,437	92,093	12,546,802
30-59 days past due	47,682	99,948	176,009	2,841	326,480
Total	$ 3,171,704	$ 2,505,349	$ 7,982,349	$ 98,911	$ 13,758,313

Table of Contents

Nonperforming Finance Receivables

We also monitor finance receivable performance trends to evaluate the potential risk of future credit losses. At 90 days or more past due, we consider our finance receivables to be nonperforming. Once the finance receivables are considered as nonperforming, we consider them to be at increased risk for credit loss.

Our performing and nonperforming net finance receivables by type were as follows:

(dollars in thousands)	Personal Loans	SpringCastle Portfolio	Real Estate Loans	Retail Sales Finance	Total
March 31, 2014					
Performing	**$ 3,124,992**	**$ 2,259,256**	**$ 6,498,888**	**$ 79,920**	**$ 11,963,056**
Nonperforming	**57,877**	**83,319**	**469,520**	**2,277**	**612,993**
Total	**$ 3,182,869**	**$ 2,342,575**	**$ 6,968,408**	**$ 82,197**	**$ 12,576,049**
December 31, 2013					
Performing	$ 3,114,493	$ 2,393,582	$ 7,457,013	$ 96,224	$ 13,061,312
Nonperforming	57,211	111,767	525,336	2,687	697,001
Total	$ 3,171,704	$ 2,505,349	$ 7,982,349	$ 98,911	$ 13,758,313

PURCHASED CREDIT IMPAIRED FINANCE RECEIVABLES

As a result of the Fortress Acquisition, we applied push-down accounting and adjusted the carrying value of our finance receivables (the FA Loans) to their fair value on November 30, 2010. For purchased finance receivables, such as the SpringCastle Portfolio (SCP Loans), we also record these loans at fair value on the day of purchase.

As part of the acquisition of the SpringCastle Portfolio, we determined that at April 1, 2013, acquired loans with contractually required principal and interest of $1.9 billion, expected undiscounted cash flows of $1.2 billion, and a fair value of $748.9 million, were credit impaired.

We include the carrying amount (which initially was the fair value) of our purchased credit impaired finance receivables in net finance receivables, less allowance for finance receivable losses. Prepayments reduce the outstanding balance, contractual cash flows, and cash flows expected to be collected.

Information regarding these purchased credit impaired finance receivables was as follows:

(dollars in thousands)		SCP Loans		FA Loans		Total
March 31, 2014						
Carrying amount, net of allowance	**$**	**469,032**	**$**	**1,111,290**	**$**	**1,580,322**
Outstanding balance	**$**	**781,637**	**$**	**1,593,697**	**$**	**2,375,334**
Allowance for purchased credit impaired finance receivable losses	**$**		**$**	**64,950**	**$**	**64,950**
December 31, 2013						
Carrying amount, net of allowance	$	530,326	$	1,257,047	$	1,787,373
Outstanding balance	$	851,211	$	1,791,882	$	2,643,093
Allowance for purchased credit impaired finance receivable losses	$		$	57,334	$	57,334

Table of Contents

The allowance for purchased credit impaired finance receivable losses at March 31, 2014 and December 31, 2013, reflected the net carrying value of these purchased credit impaired finance receivables being higher than the present value of the expected cash flows.

Changes in accretable yield for purchased credit impaired finance receivables were as follows:

(dollars in thousands)	SCP Loans	FA Loans	Total
Three Months Ended March 31, 2014			
Balance at beginning of period	**$ 325,201**	**$ 771,491**	**$ 1,096,692**
Accretion	**(20,002)**	**(29,004)**	**(49,006)**
Transfers to finance receivables held for sale		**(56,661)**	**(56,661)**
Disposals of finance receivables*	**(11,617)**	**(5,497)**	**(17,114)**
Balance at end of period	**$ 293,582**	**$ 680,329**	**$ 973,911**
Three Months Ended March 31, 2013			
Balance at beginning of period	$	$ 629,200	$ 629,200
Accretion		(33,034)	(33,034)
Disposals of finance receivables*		(7,129)	(7,129)
Balance at end of period	$	$ 589,037	$ 589,037

* Disposals of finance receivables represent finance charges forfeited due to purchased credit impaired finance receivables charged-off during the period.

TROUBLED DEBT RESTRUCTURED FINANCE RECEIVABLES

Information regarding troubled debt restructured (TDR) finance receivables was as follows:

(dollars in thousands)	Real Estate Loans
March 31, 2014	
TDR gross finance receivables	**$ 1,351,400**
TDR net finance receivables	**$ 1,356,449**
Allowance for TDR finance receivable losses	**$ 192,922**
December 31, 2013	
TDR gross finance receivables	$ 1,375,230
TDR net finance receivables	$ 1,380,223
Allowance for TDR finance receivable losses	$ 176,455

We have no commitments to lend additional funds on our TDR finance receivables.

TDR average net receivables and finance charges recognized on TDR finance receivables were as follows:

(dollars in thousands) Three Months Ended March 31,	2014	2013
Real Estate Loans		
TDR average net receivables	**$ 1,426,563**	$ 911,998
TDR finance charges recognized	**$ 17,668**	$ 14,967

Table of Contents

Information regarding the new volume of the TDR finance receivables was as follows:

(dollars in thousands) Three Months Ended March 31,		2014		2013
Real Estate Loans				
Number of TDR accounts		**994**		2,053
Pre-modification TDR net finance receivables	**$**	**103,281**	$	164,779
Post-modification TDR net finance receivables	**$**	**94,183**	$	172,248

Net finance receivables that were modified as TDR finance receivables within the previous 12 months and for which there was a default during the period to cause TDR finance receivables to be considered nonperforming were as follows:

(dollars in thousands) Three Months Ended March 31,		2014		2013
Real Estate Loans				
Number of TDR accounts		**229**		224
TDR net finance receivables*	**$**	**15,503**	$	18,250

* Represents the corresponding balance of TDR net finance receivables at the end of the month in which they defaulted.

3. Allowance for Finance Receivable Losses

Changes in the allowance for finance receivable losses by finance receivable type were as follows:

(dollars in thousands)		Personal Loans		SpringCastle Portfolio		Real Estate Loans		Retail Sales Finance		Total
Three Months Ended March 31, 2014										
Balance at beginning of period	**$**	**94,880**	**$**	**1,056**	**$**	**235,549**	**$**	**1,840**	**$**	**333,325**
Provision for finance receivable losses (a)		**47,249**		**52,950**		**58,513**		**2,166**		**160,878**
Charge-offs		**(44,373)**		**(56,889)**		**(27,568)**		**(1,605)**		**(130,435)**
Recoveries (b)		**4,684**		**3,721**		**3,516**		**289**		**12,210**
Transfers to finance receivables held for sale (c)						**(10,084)**				**(10,084)**
Balance at end of period	**$**	**102,440**	**$**	**838**	**$**	**259,926**	**$**	**2,690**	**$**	**365,894**
Three Months Ended March 31, 2013										

Balance at beginning of period	$ 66,580	$	$ 113,813	$ 2,260	$ 182,653
Provision for finance receivable losses (a)	25,021		69,075	390	94,486
Charge-offs (d)	(42,769)		(34,163)	(3,327)	(80,259)
Recoveries	9,088		2,458	2,327	13,873
Balance at end of period	$ 57,920	$	$ 151,183	$ 1,650	$ 210,753

Table of Contents

(a) Components of provision for finance receivable losses on our real estate loans were as follows:

(dollars in thousands) Three Months Ended March 31,		2014		2013
Real estate loans				
Provision for finance receivable losses				
Non-credit impaired finance receivables	**$**	**12,883**	$	19,571
Purchased credit impaired finance receivables		**20,004**		22,262
TDR finance receivables		**25,626**		27,242
Total	**$**	**58,513**	$	69,075

(b) Recoveries during the three months ended March 31, 2014 included $2.2 million of real estate loan recoveries resulting from a sale of previously charged-off real estate loans in March 2014, net of a $0.2 million reserve for subsequent buybacks.

(c) During the first quarter of 2014, we decreased the allowance for finance receivable losses as a result of the transfer of $835.3 million of real estate loans from finance receivables held for investment to finance receivables held for sale due to management s intent to no longer hold these finance receivables for the foreseeable future.

(d) Effective March 31, 2013, we charge off to the allowance for finance receivable losses personal loans that are 180 days past due. Previously, we charged-off to the allowance for finance receivable losses personal loans on which payments received in the prior six months totaled less than 5% of the original loan amount. As a result of this change, we recorded $13.3 million of additional charge-offs in March 2013.

Included in the allowance for finance receivable losses are allowances associated with securitizations that totaled $154.8 million at March 31, 2014 and $153.7 million at December 31, 2013. See Note 8 for further discussion regarding our securitization transactions.

The carrying value charged-off for purchased credit impaired loans was as follows:

(dollars in thousands) Three Months Ended March 31,		2014		2013
Charged-off against provision for finance receivable losses:				
SCP Loans	**$**	**18,793**	$	
FA Loans gross charge-offs*		**6,425**		9,842

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* Represents additional impairment recognized, subsequent to the establishment of the pools of purchased credit impaired loans, related to loans that have been foreclosed and transferred to real estate owned status.

Table of Contents

The allowance for finance receivable losses and net finance receivables by type and by impairment method were as follows:

(dollars in thousands)	Personal Loans	SpringCastle Portfolio	Real Estate Loans	Retail Sales Finance	Total
March 31, 2014					
Allowance for finance receivable losses for finance receivables:					
Collectively evaluated for impairment	**$ 102,440**	**$ 838**	**$ 2,054**	**$ 2,690**	**$ 108,022**
Acquired with deteriorated credit quality (purchased credit impaired finance receivables)			**64,950**		**64,950**
Individually evaluated for impairment (TDR finance receivables)			**192,922**		**192,922**
Total	**$ 102,440**	**$ 838**	**$ 259,926**	**$ 2,690**	**$ 365,894**
Finance receivables:					
Collectively evaluated for impairment	**$ 3,182,869**	**$ 1,873,543**	**$ 4,435,719**	**$ 82,197**	**$ 9,574,328**
Purchased credit impaired finance receivables		**469,032**	**1,176,240**		**1,645,272**
TDR finance receivables			**1,356,449**		**1,356,449**
Total	**$ 3,182,869**	**$ 2,342,575**	**$ 6,968,408**	**$ 82,197**	**$ 12,576,049**
December 31, 2013					
Allowance for finance receivable losses for finance receivables:					
Collectively evaluated for impairment	$ 94,880	$ 1,056	$ 1,760	$ 1,840	$ 99,536
Purchased credit impaired finance receivables			57,334		57,334
TDR finance receivables			176,455		176,455
Total	$ 94,880	$ 1,056	$ 235,549	$ 1,840	$ 333,325
Finance receivables:					
Collectively evaluated for impairment	$ 3,171,704	$ 1,975,023	$ 5,287,745	$ 98,911	$ 10,533,383
Purchased credit impaired finance receivables		530,326	1,314,381		1,844,707
TDR finance receivables			1,380,223		1,380,223
Total	$ 3,171,704	$ 2,505,349	$ 7,982,349	$ 98,911	$ 13,758,313

Table of Contents

4. Finance Receivables Held for Sale

As discussed in Note 1, on March 1, 2014, we transferred $825.2 million of real estate loans (after deducting allowance for finance receivable losses) from finance receivables held for investment to held for sale due to management s intent to no longer hold these finance receivables for the foreseeable future. On March 31, we sold finance receivables held for sale totaling $835.3 million and related trust assets and recorded a net gain at the time of sale of $55.2 million primarily resulting from the reversal of the remaining un-accreted push-down accounting basis for these finance receivables, less allowance for finance receivable losses that we established at the date of the Fortress Acquisition.

We did not have any transfer activity between finance receivables held for investment to finance receivables held for sale during the first quarter of 2013.

We did not repurchase any loans during the three months ended March 31, 2014. We repurchased 15 loans for $2.3 million during the three months ended March 31, 2013 because these loans were reaching the defined delinquency limits or had breached the contractual representations and warranties under the loan sale agreements. At March 31, 2014, there were no unresolved recourse requests.

The activity in our reserve for sales recourse obligations was as follows:

(dollars in thousands) **At or for the Three Months Ended March 31,**	**2014**	**2013**
Balance at beginning of period	**$ 4,702**	$ 4,863
Provision for/(reduction in) recourse obligations		322
Recourse losses		(386)
Balance at end of period	**$ 4,702**	$ 4,799

Table of Contents

5. Investment Securities

AVAILABLE-FOR-SALE SECURITIES

Cost/amortized cost, unrealized gains and losses, and fair value of available-for-sale securities by type were as follows:

(dollars in thousands)	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value