

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 11, 2022

NERDWALLET, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-40994

(Commission File Number)

45-4180440

(I.R.S. Employer Identification No.)

55 Hawthorne St., 11th Floor, San Francisco, CA 94105

(Address of principal executive offices) (Zip code)

(415) 549-8913

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.0001 par value	NRDS	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act).

Item 2.01 Completion of Acquisition or Disposition of Assets.

On July 11, 2022, NerdWallet, Inc., a Delaware corporation (the Company), completed its previously announced acquisition of On the Barrelhead, Inc., a Delaware corporation (OTB), pursuant to an Agreement and Plan of Merger and Reorganization dated June 23, 2022 (the Merger Agreement) by and among the Company, OTB and the other parties thereto. Pursuant to the terms of the Merger Agreement, the Company acquired all of the equity interests in OTB at the closing of the acquisition (the Closing), for an aggregate purchase price of approximately \$120 million, consisting of approximately \$70 million in cash (the Cash Consideration) and \$50 million in shares of the Company's Class A common stock (the Stock Consideration), subject to customary post-Closing purchase price adjustments. The Stock Consideration at the Closing consisted of 4,934,895 shares of Class A common stock, which number was determined based on the 30-trading day volume-weighted-average price of the Company's Class A common stock as reported on the Nasdaq Global Market as of June 22, 2022.

The foregoing description of the Merger Agreement is only a summary, does not purport to be complete and is subject to and qualified in its entirety by reference to the full text of the Merger Agreement, which was filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 24, 2022 and is incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The Cash Consideration was financed with a borrowing of \$70.0 million on July 7, 2022 under the Company's existing Amended and Restated Senior Secured Credit Facilities Credit Agreement (the Credit Agreement) with Silicon Valley Bank. Interest on the borrowing bears interest at the Eurodollar Rate, which is defined in the Credit Agreement as LIBOR (or any successor thereto), plus a margin of 2.75%, equating to 4.54% as of Closing.

The Credit Agreement contains customary covenants limiting the ability to, among other things, dispose of assets, undergo a change in control, merge or consolidate, make acquisitions, incur debt, incur liens, pay dividends, repurchase stock, and make investments, in each case subject to certain exceptions. The Credit Agreement also contains financial covenants requiring the Company to maintain a minimum adjusted quick ratio and a minimum consolidated adjusted EBITDA if the adjusted quick ratio falls below a specified level, measured in each case at the end of each fiscal quarter. The Credit Agreement terminates on September 2, 2023.

Item 3.02 Unregistered Sales of Equity Securities.

The disclosure set forth above in Item 2.01 of this Current Report on Form 8-K is incorporated herein by reference. Subject to the terms and conditions of the Merger Agreement, at the Closing, the Company issued the Stock Consideration. These shares of the Company's Class A common stock were issued in a transaction not involving a public offering and in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended (the Securities Act).

Item 7.01 Regulation FD Disclosure.

On July 11, 2022, the Company issued a press release announcing the completion of the acquisition of OTB. A copy of the press release is attached as Exhibit 99.1 to this report and incorporated herein by reference.

The information in this Item 7.01, including Exhibit 99.1 attached hereto, is being furnished, shall not be deemed "filed" for any purpose, and shall not be deemed incorporated by reference in any filing under the Securities Act or the Securities Exchange Act of 1934, as amended (the Exchange Act), except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

Financial statements of the acquired business are not included in this Current Report on Form 8-K. Such financial statements will be filed by amendment not later than 71 calendar days after the date that this Current Report on Form 8-K is required to be filed.

(b) Pro Forma Financial Information.

Pro forma financial information relative to the acquired business is not included in this Current Report on Form 8-K. Such pro forma financial information will be filed by amendment not later than 71 calendar days after the date that this Current Report on Form 8-K is required to be filed.

(d) Exhibits.

EXHIBIT INDEX

Exhibit Number	Description of Exhibit	Location
2.1	<u>Agreement and Plan of Merger and Reorganization, dated June 23, 2022, by and among NerdWallet, Inc., On the Barrelhead, Inc., Bighorn Merger Sub Corp., Bighorn Merger Sub 2, LLC, NerdWallet Compare, Inc. and Fortis Advisors LLC, as the stockholder representative.*</u>	Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed June 24, 2022
99.1	<u>Press Release dated July 11, 2022 issued by NerdWallet, Inc.</u>	Furnished herewith.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	Filed herewith.

* Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally to the SEC a copy of any omitted schedule or exhibit upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NERDWALLET, INC.

Date: July 11, 2022

By: /s/ Ekumene M. Lysonge

Ekumene M. Lysonge

General Counsel and Corporate Secretary



NerdWallet Completes Acquisition of On The Barrelhead
NerdWallet Announces Inducement Grants to On the Barrelhead Employees

SAN FRANCISCO (July 11, 2022) NerdWallet, Inc. (Nasdaq: NRDS), a platform that provides financial guidance to consumers and small- and mid-sized businesses (SMBs), today announced the closing of its previously announced acquisition of On the Barrelhead, Inc., a data-driven platform that provides consumers and SMBs with credit-driven product recommendations to help improve their financial lives.

As previously announced, it is expected that On the Barrelhead will fully integrate into NerdWallet's existing teams, brand, products and technology. NerdWallet's trusted brand and knowledgeable financial guidance paired with On the Barrelhead's proprietary data and technology solutions will enable consumers and SMBs to match with better financial products and make smarter money moves.

Under the terms of the merger agreement, On the Barrelhead was acquired for a purchase price of \$120 million, consisting of approximately \$70 million in cash and \$50 million in NerdWallet Class A common stock, subject to customary purchase price adjustments. The cash portion of the acquisition was financed with borrowings from NerdWallet's existing credit facility.

As a part of a compensatory bonus retention pool established in connection with the acquisition, members of On the Barrelhead management will be paid an aggregate of \$15 million in cash compensation over three years, subject to their continued employment with NerdWallet, and granted \$15 million in equity compensation as referenced in the Inducement grant detail included within this press release.

Inducement Grants Under Nasdaq Listing Rule 5635(c)(4)

NerdWallet also announced today that, effective July 11, 2022, the Compensation Committee of its Board of Directors approved the NerdWallet, Inc. 2022 Inducement Equity Incentive Plan (the Inducement Plan), and restricted stock units (RSUs) representing an aggregate of up to 1,998,531 shares of NerdWallet Class A Common Stock were granted under the Inducement Plan to fourteen individuals offered employment with NerdWallet in connection with the On the Barrelhead acquisition.

The Inducement Plan is being used exclusively for the grant of RSUs to individuals who were not previously an employee or non-employee director of NerdWallet. The RSUs were granted to each former On the Barrelhead employee grantee as a material inducement to such individual's entry into employment with NerdWallet in accordance with Nasdaq Listing Rule 5635(c)(4).

An aggregate of 1,460,562 RSUs were granted to three members of On the Barrelhead management, which RSUs will generally vest in full upon the third anniversary of the closing of the acquisition, subject to their continued service through such vesting date. Six non-management employees were granted an aggregate of 267,769 RSUs, vesting annually over four years, with 20% of the RSUs subject to the award vesting on each of the first, second and third annual vesting dates and the remaining 40% of the RSUs subject to the award vesting on the fourth annual vesting date. Finally, all fourteen On the Barrelhead employees were granted an aggregate of 270,200 RSUs generally vesting over four years subject to a one-year cliff and quarterly vesting thereafter. All of the RSU awards are subject to the terms of the Inducement Plan and the grant agreements covering such awards.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally can be identified by words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “target,” “continue,” “predict,” “project,” “change,” “result,” “future,” “will,” “would,” “could,” “can,” “may,” “likely,” “potentially,” or similar expressions that concern our strategy, plans, expectations or intentions. Forward-looking statements reflect management’s evaluation of information currently available and are based on NerdWallet’s current expectations and assumptions regarding NerdWallet’s business, On the Barrelhead (OTB); estimated and future results of operations, business strategies, competitive position, industry environment and potential growth opportunities and synergies relating to the acquisition of OTB (the Acquisition), the integration of OTB, the economy and other future conditions. Although we believe that the expectations and assumptions reflected in these forward-looking statements are reasonable, forward-looking statements are subject to inherent uncertainties, risks and other factors that are difficult to predict and could cause our actual results to vary in material respects from what we have expressed or implied by these forward-looking statements. Specific factors that could cause future results to differ from those expressed or implied by the forward-looking statements include, but are not limited to, (i) failure to realize the expected benefits of the Acquisition; (ii) significant transaction costs and/or unknown or inestimable liabilities; (iii) the risk that OTB’s business will not be integrated successfully or that such integration may be more difficult, time-consuming or costly than expected; (iv) risks related to future opportunities and plans for the combined company, including the uncertainty of expected future financial performance and results of the combined company; (v) the effect of the announcement of the Acquisition on the ability of NerdWallet to operate its business and retain and hire key personnel and to maintain favorable business relationships; (vi) risks related to the market value of the NerdWallet Class A common stock issued in connection with the Acquisition; (vii) national, international, regional and local economic and political climates and conditions; (viii) changes in global financial markets and interest rates; (ix) risks related to the COVID-19 coronavirus pandemic; and those factors discussed in NerdWallet’s Annual Report on Form 10-K for the year ended December 31, 2021 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 filed with the Securities and Exchange Commission (SEC) and in other filings and furnishings made by NerdWallet with the SEC from time to time. Other unknown or unpredictable factors could also have material adverse effects on NerdWallet’s performance. We caution that you should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release and are not guarantees of future performance. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

About NerdWallet

NerdWallet (Nasdaq: NRDS) is on a mission to provide clarity for all of life’s financial decisions. As a personal finance website and app, NerdWallet provides consumers with trustworthy and knowledgeable financial information so they can make smart money moves. From finding the best credit card to buying a house, NerdWallet is there to help consumers make financial decisions with confidence. Consumers have free access to our expert content and comparison shopping marketplaces, plus a data-driven app, which helps them stay on top of their finances and save time and money, giving them the freedom to do more. NerdWallet is available for consumers in the U.S., UK and Canada.

“NerdWallet” is a trademark of NerdWallet, Inc. All rights reserved. Other names and trademarks used herein may be trademarks of their respective owners.

About On the Barrelhead, Inc.

Founded in 2017, On the Barrelhead is a data-driven platform that provides consumers and SMBs with credit-driven product recommendations to help improve their financial lives. On the Barrelhead's platform is built on four sophisticated technology solutions: Plinko, Maestro, Recast and Squid, which combine to create an engine that leads to better outcomes for consumers, partners and their business.

Contacts

Investor Relations:
Caitlin MacNamee
ir@nerdwallet.com

Media Relations:
Maitri Jani
press@nerdwallet.com