

**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): October 15, 2018

Q2 HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation)

001-36350
(Commission File Number)

20-2706637
(IRS Employer
Identification No.)

**13785 Research Blvd, Suite 150
Austin, Texas 78750
(512) 275-0072**

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Not Applicable

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

(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 (see General Instruction A.2 below):

- 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))

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 October 15, 2018, Q2 Holdings, Inc., a Delaware corporation (the "**Company**"), consummated its previously announced acquisition of Cloud Lending, Inc. ("**Cloud Lending**"), a Delaware corporation ("**Target**"), pursuant to the Agreement and Plan of Merger (the "**Merger Agreement**") dated August 6, 2018. Pursuant to the Merger Agreement, Target has been merged with and into a wholly owned subsidiary of the Company ("**Merger Sub**"), with Target surviving as a wholly owned subsidiary of the Company.

The aggregate consideration paid in exchange for all of the outstanding equity interests of Cloud Lending at closing was approximately \$105.0 million (the "**Merger Consideration**"). Potential additional consideration may become payable at certain measurement dates in the future upon the achievement by the acquired business of certain financial metrics on such dates. A portion of the purchase price (\$10.5 million) was placed into escrow to secure certain post-closing indemnification obligations in the Merger Agreement.

Item 7.01 Regulation FD Disclosure

On October 16, 2018, the Company issued a press release announcing the consummation of its acquisition of Cloud Lending. A copy of that press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Business Acquired.

The financial statements required to be filed under Item 9.01(a) of this Current Report on Form 8-K will be filed by amendment to this Current Report on Form 8-K no later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(b) Pro Forma Financial Information.

The pro forma financial information required to be filed under Item 9.01(b) of this Current Report on Form 8-K will be filed by amendment to this Current Report on Form 8-K no later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release dated October 16, 2018*

* In accordance with general instruction B.2 to Form 8-K, the information in this Form 8-K under Item 7.01 (Regulation FD Disclosure) shall be deemed "furnished" and not "filed" with the SEC for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

SIGNATURES

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

Q2 HOLDINGS, INC.

October 16, 2018

By: /s/ Jennifer N. Harris

Jennifer N. Harris
Chief Financial Officer

Q2 Holdings, Inc. Completes Acquisition of Cloud Lending, Inc.

AUSTIN, Texas (Oct. 16, 2018)- [Q2 Holdings, Inc.](#) (NYSE:QTWO), a leading provider of digital banking solutions for financial institutions, announced today it has successfully completed its acquisition of San Mateo, California-based Cloud Lending, Inc., a SaaS company that provides an integrated end-to-end lending and leasing platform to help lenders close more loans and generate more revenue.

“The acquisition of Cloud Lending will enhance Q2’s ability to deliver advanced digital solutions to financial institutions, alternative finance and leasing companies that help them improve their customers’ borrowing experiences,” said Matt Flake, CEO of Q2. “Cloud Lending increases lending efficiency through the digital channel to accelerate one of our customers’ most important income streams.”

Cloud Lending’s products allow customers to maintain their current loan workflows and risk scoring, but in a digital format. Cloud Lending will benefit from Q2’s scale, infrastructure and resources.

Going forward, Cloud Lending will be branded as Cloud Lending, a Q2 Company. Q2 and Cloud Lending first announced the acquisition agreement on Aug. 8, 2018.

About Q2 Holdings, Inc.

Q2 is a secure, cloud-based digital banking solutions company headquartered in Austin, Texas. Since 2004, it has been our mission to build stronger communities by strengthening their financial institutions. Our digital banking solutions for deposits, money movement, lending, leasing, security and fraud enable financial institutions to deliver a better financial experience to their account holders. Our bank and credit union customers, along with emerging financial services providers, also benefit from actionable data analytics and access to open technology tools. To learn more about Q2, visit www.q2ebanking.com.

About Cloud Lending, Inc.

Cloud Lending is the next-generation, cloud-based lending and leasing platform of choice for leading lenders. The end-to-end lending platform simplifies the borrower experience, increases application volumes, accelerates loan decisioning, and reduces operational inefficiencies through digitization and automation. Offering solutions for consumer, commercial, small business, construction and equipment leasing, Cloud Lending’s proven platform solution means lenders can grow their loan portfolio with one partner, eliminating costs and reducing middle and back office operational churn. To learn more, visit Cloud Lending at <https://www.cloudlendinginc.com>.

Forward-looking Statements:

This press release contains forward-looking statements, including statements about the ability of Cloud Lending’s products to integrate with Q2’s solutions to enhance Q2’s abilities; the ability of Q2 to advance its product offerings together with Cloud Lending; the ability to cross-market Q2 and Cloud Lending’s products; and the potential for Cloud Lending to benefit from Q2’s scale, infrastructure and resources. The forward-looking statements contained in this press release are based upon Q2’s current plans, estimates and expectations and are not a representation that such plans, estimates or expectations will be achieved. Forward-looking statements are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, the following: (a) risks related to our ability to successfully integrate Cloud Lending and its technology and personnel; (b) risks related to the execution of our plans, strategies and forecasts, including with respect to our security, compliance, and risk management capabilities and offerings; (c) risks related to the demand for these offerings; (d) risks related to our expectations with respect to the business of Cloud Lending after completion of the transaction and our ability to realize additional opportunities for growth and innovation; and (e) other risks and potential factors that could affect our business and financial results identified in Q2’s filings with the Securities and

Exchange Commission. These filings are available on the SEC Filings section of the Investor Relations section of Q2's website at <http://investors.q2ebanking.com/>. These forward-looking statements represent Q2's expectations as of the date of this press release. Subsequent events may cause these expectations to change, and Q2 disclaims any obligations to update or alter these forward-looking statements in the future, whether as a result of new information, future events or otherwise.

MEDIA CONTACT

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